

LABOR FACT BOOK



PREPARED BY

Labor Research Association

\$2.00

LABOR FACT BOOK 9

By LABOR RESEARCH ASSOCIATION

The most widely read labor reference book in the English language, this is the only work of its kind serving the trade union and progressive movement. "Sociology and Social Research" says of the Labor Fact Book that it is "replete with significant facts and details about the labor movement and the role it is playing in American social and economic life."

All the material in each volume is entirely new, dealing mainly with the two preceding years. The present volume of this standard handbook of labor contains the latest material on wages, hours, prices, family budgets, unemployment, profits, dividends, taxes, monopolies, mergers, trade unions here and abroad, labor legislation, social security, health and housing. It also has an extensive chapter on the state of civil liberty in the United States and the current attacks on the labor movement, the Negro people, and the Communists.

A ten-page index makes the volume handy for ready use. It is popular not only with workers in the shop but with trade unionists everywhere, as well as students, teachers, writers, librarians, research workers, and everyone who needs vital information of the conditions and progress of labor.

TRENDS IN AMERICAN CAPITALISM

BY LABOR RESEARCH ASSOCIATION

Labor Research Association uses census and other basic figures to present an illuminating analysis of the way capitalism works in the United States.

The study shows, with illustrations from the corporate history of General Motors and from other sources, how the capitalists exploit labor and accumulate surplus value.

Profits and the rate of profit over a fifty-year period are compared with wages and capital formation. Productivity trends are also traced and the concepts of productive and non-productive labor and "relative wages" are explained.

Impoverishment of the working class is demonstrated by the accepted figures on family budgets, average wages, unemployment, and living standards.

The course of American business cycles is reviewed with the series of "booms and busts" that have plagued America's economy and produced mass unemployment.

How government spending is used as an antidote for the chronic sickness of capitalism is also examined, along with the proposals of Keynesian economists for a "balanced economy."

Finally, the postwar prospects are surveyed, along with an analysis of "remobilization" as the last resort of the capitalists in their efforts to buttress the present system.

\$1.50

LABOR FACT BOOK 9

PREPARED BY
LABOR RESEARCH ASSOCIATION



INTERNATIONAL PUBLISHERS, NEW YORK

COPYRIGHT, 1949, BY
INTERNATIONAL PUBLISHERS CO., INC.



PRINTED IN THE UNITED STATES OF AMERICA

CONTENTS

FOREWORD	7
I. ECONOMIC TRENDS	9
Gross National Product, 9; National Income and Its Distribution, 11; Savings of the People, 12; Consumer Credit Expanded 13; Capital Outlays and Construction, 13; Retail Sales Trend, 14; Farm Prosperity Passes Peak, 14; Movement of Prices, 15; Business Failures, 15; Growth of Unemployment, 16.	
II. FACTS ON THE U. S. TREND	28
Corporate Profits, 1929-1948, 18; Monopoly and Prices, 19; The Merger Movement, 20; Merging in the Steel Industry, 22; Patent System Aid to Monopoly, 22; Antitrust Activities, 24; Narrow Basis of Stock Ownership, 26; American Foreign Investments, 27; Oil Imperialism in the Middle East, 29; Truman's "Bold New Program," 31; The Cold War Budget, 33; Trends in Taxation, 34.	
III. LABOR AND SOCIAL CONDITIONS	37
Distribution of Income, 37; Average Annual Earnings, 38; Wage Increases, 40; Real Earnings Trend Since 1945, 42; Relative Position of Workers, 43; Cost of Family Budgets, 44; Hours of Work, 48; Productivity Increases, 50; The Speed-Up System, 51; Housing Needs and Programs, 52; Social Security Developments, 54; Health Needs and Proposals, 58; Industrial Diseases, 61; Work Injuries and Deaths, 63; White Collar Workers, 64; Women Workers, 65; Child Labor, 68.	
IV. THE STRUGGLE FOR CIVIL RIGHTS	71
Un-American Committee, 71; Contempt Cases, 74; Contempt of Grand Jury Cases, 80; Loyalty Tests and Purges, 81; Trial of 12 Communist Leaders, 84; Deportation and Foreign-Born Cases, 87; Red-Baiting Against Unions, 89;	

Mundt-Nixon Bill, 90; Fair Employment Practices, 92; Segregation in Nation's Capital, 93; Poll Taxes, 94; Lynchings and Killings of Negroes, 95; Frame-Up of Trenton Six, 97; Ingram Case, 98; Attacks on Academic Freedom, 99.

V. TRADE UNION TRENDS

101

Number organized, 101; 1947 AFL Convention, 102; 1948 AFL Convention, 104; 1947 CIO Convention, 106; 1948 CIO Convention, 109; Railroad Labor Developments, 115; Women in Trade Unions, 118; The Labor Press, 119; Health Plans Under Collective Bargaining, 120; Farmer-Labor Relations, 123; Association of Catholic Trade Unionists, 125.

VI. LABOR LEGISLATION AND STRIKES

128

Labor Management Relations Act of 1947, 128; State Anti-Labor Laws, 140; Work Stoppages, 1947-1948, 142; Maritime Strikes, 144; Company Violence in Packinghouse Strike, 146.

VII. POLITICAL ACTION

148

Record of Eightieth Congress, 148; The Progressive Party, 151; Progressive Party Platform, 152; Labor and the New Party, 153; Truman's Victory, 154; Campaign Issues, 155; The New Congress, 155; Defeat of Some Reactionaries, 156; Governors Elected, 157; Labor and Truman, 157; New York Minor Parties, 158; Communists in the Election, 159; Progressive Party Post-Election Position, 160; The Dixiecrats, 160; The Press and the Elections, 161; Campaign Contributions, 162.

VIII. WORLD LABOR DEVELOPMENTS

164

World Federation of Trade Unions, 164; Canadian Labor Progress, 167; Trade Unions in the Peoples' Democracies, 173; Organized Labor in Poland, 174; Unions in Czechoslovakia, 177; Hungarian Trade Unions, 178; Unions in the Soviet Zone of Germany, 180.

INDEX

183

FOREWORD

As in other volumes of this series, issued biennially since 1931, the material included here is entirely new. Except where certain items have been revised in the light of later facts or figures, there is no repetition of the data appearing in previous Fact Books.

The present volume covers roughly the years 1947 and 1948 but some of the sections include material for the early months of 1949 in order to bring the story as close as possible to the date of publication.

A few tables are included which show the trend over a longer span of years. Some of these give new figures on earlier years as, for example, the table on corporation profits and dividends in Chapter II.

In view of the complete indexing of the volume we have for the most part omitted cross references of one item to another or to earlier volumes. And we have likewise saved space by giving relatively few citations of sources. However, as before, we are ready to give any interested readers on request the full source for any fact or statement. It will be noted also that we have saved space by abbreviating in most cases the names of unions and have used other abbreviations customary in reference handbooks or yearbooks.

For the first time since Labor Fact Book 5, which covered the years 1939 to 1941, we have included a separate chapter on the struggle for civil liberties in the United States. Our chapter on the conditions of the Negro people in Labor Fact Book 8 contains material on the specific discrimination, segregation, and oppression of the Negro people involving the most open deprivation of constitutional rights. The present volume has returned to a fuller treatment of all minority groups in the country and particularly those on the Left who have borne the brunt of increased attacks by reactionary and anti-labor forces during the last two years. With the rising Red-baiting hysteria, the "loyalty" orders and "subversive" organization lists, the frame-up trial of leading Communists, the further assaults by the House Committee on Un-American Activities and the Department of Justice on progressive labor organizations, and the introductions of legislation which violates the Bill of Rights, the need for a fuller description of these near-fascist tendencies is obvious.

In this connection we have stressed the character of the Taft-Hartley Act and its encouragement to employers to develop their attacks on unions and collective bargaining in the United States.

As in past Fact Books the main section of this volume is devoted to examining the conditions of the working class. It shows the worsening conditions of the workers as the American economy enters a period of overproduction with a developing cyclical crisis. The figures on the trends in real wages and "relative position" are particularly worth examination, along with the statistics on productivity, the income of family units and people's savings.

Although no separate chapter in the present volume is devoted to the conditions of farmers and farm workers, new material on the co-operative relations of farm organizations and labor unions has been included.

The political developments of the last two years are given special emphasis both because of the entrance of the new Progressive Party on the scene and also because of the far-reaching promises of the Truman administration. These are given in detail so that they may be checked against actual performance on the domestic front.

As usual we are deeply indebted to the many able research workers who have co-operated in the preparation of this volume. Besides these individuals we have been helped by others including the officers of organizations such as the Federated Press, the American Committee for the Protection of Foreign Born, the Civil Rights Congress, the Jefferson School of Social Science, the National Child Labor Committee, various AFL and CIO unions as well as the unaffiliated railroad brotherhoods. A number of specialists in the field of public health, industrial engineering, labor law and trade unionism, both here and abroad, have also given us invaluable advice and assistance.

Many of the topics covered in this book, especially in the first two chapters, are discussed from month to month in our Economic Notes and Railroad Notes. For possible use in these bulletins as well as in future Fact Books we would appreciate it if unions and other organizations would put us on their mailing lists for publications, proceedings, news releases and other material.

Labor Research Association
Robert W. Dunn, Secretary
80 East Eleventh Street
New York 3, New York

I. ECONOMIC TRENDS

The years 1947 and 1948 were among the most active in the "peacetime" economic history of the United States. Industry had completed its conversion from war operations and was engaged in continuing to meet the accumulated demand for goods. The high rate of production during this two-year period was partly the result of new armament and "cold war" spending. But despite this factor industrial output was beginning to falter at the end of 1948.

The index of industrial production of the Federal Reserve Board, which shows the trend in physical output in durable and nondurable manufactures and mining, was both in 1947 and 1948 well above any peacetime level.

INDUSTRIAL PRODUCTION INDEX

(Monthly average; 1935-39 = 100)

1939	109	1944	235
1940	125	1945	203
1941	162	1946	170
1942	199	1947	187
1943	239	1948	192

Although the index for 1948 averaged 54% above its prewar level in 1940, it was 20% below the average for the wartime year 1943 when about two-thirds of total industrial output was used for war purposes.

The low point reached by this index during the last two years was at 176 in July, 1947. It rose to a peak at 195 in October, 1948, and then receded to 192 in December, 1948. It moved still lower to 185 in the early months of 1949 as the conditions making for a general business depression began to manifest themselves.

Gross National Product: By the beginning of 1947, with peacetime production in full swing, the total gross national production was running at an annual rate of about \$226 billion, compared with \$209 billion for 1946 as a whole and about \$100 billion for the prewar year 1940.

From this \$226 billion level in the first quarter of 1947 gross national production increased until, by the final quarter of 1948, it had reached

an annual rate of nearly \$261 billion, or 15% above the rate of the first quarter of 1947. During this two-year period production for domestic civilian use, as distinct from production for foreign export and national "defense," increased even more than the gross national production as a whole. It went up from a \$206 billion annual rate in the first quarter of 1947 to a \$243 billion rate by the last quarter of 1948, a rise of 18%.

DISPOSITION OF GROSS NATIONAL PRODUCT

(Annual rate by quarters in billions of dollars)

	<i>Total gross national product</i>	<i>Export surplus of goods and services</i>	<i>Gov't war or national "de- fense" expenditures</i>	<i>Production for domestic civilian use</i>
1947:				
1st	226.4	11.2	9.4	205.8
2nd	228.3	12.5	10.9	204.9
3rd	227.9	10.9	9.2	207.8
4th	243.8	10.5	10.3	223.0
1948:				
1st	244.9	7.8	9.4	227.7
2nd	250.2	6.5	10.3	233.4
3rd	254.9	5.2	10.2	239.5
4th*	260.8	6.6	11.0	243.2

*Preliminary estimates of U. S. Department of Commerce.

At the same time the export surplus of goods and services (excess of exports over imports) declined from \$11.2 billion to \$6.6 billion, and would have fallen still more had it not been for the financing of foreign "aid" extended by the U. S. to foreign governments through the Marshall Plan and other schemes. At the beginning of 1949 it was expected that commercial exports would continue their decline and would contribute to the downturn in business both at home and abroad.

The national "defense" expenditures during this period, under the impact of American imperialism's cold war program, showed a rise of 17% between the first quarter of 1947 and the last quarter of 1948. In dollar terms the increase was about \$1.6 billion — from a \$9.4 billion annual rate in the first quarter of 1947 to an \$11 billion rate by the last quarter of 1948.

This general summary of the disposition of the national gross product shows that the inflationary levels reached by the economy in 1947-48 resulted principally from the continued large demand of the domestic

civilian market for goods and services. It accounted for nearly 91% of the gross national product in 1947 and over 93% in 1948.

If, however, allowance is made for the rise in prices during this period, we find that the over-all increase in national gross product was much less than the figures in the table would indicate. The consumers' price index between the first quarter of 1947 and the last quarter of 1948 rose about 12%. Even using this imperfect indicator of prices to correct the increase in the market value of the gross national product, we see that the physical volume rise in this period could not have been more than 3% and was probably less. In other words, the actual volume of goods and service produced in all sectors of the economy rose only by a small amount during the course of the two-year period.

National Income and Its Distribution: The total net income earned in production by individuals as well as business concerns is called "national income." This total rose over 17% between the first quarter of 1947 and the final quarter of 1948 when it reached an annual rate of \$232 billion. For the components of national income in this period the gains were of differing degrees. Compensation of employees (in these government figures this includes even the highest-salaried executives of corporations) rose less than the over-all average, or only 14%; net interest rose more than the average, or over 19%, and corporate profits after taxes rose even more, by 24%. Farm income rose only 1% in the same period; business and professional income was up 14%, while rental income of individuals rose 8%.

These figures on the components of national income, based on preliminary Department of Commerce estimates, show clearly that corporate profits were rising more sharply than the income of individuals, whether employees, professional people or farmers. (For total corporate profits see Ch. II.)

Total personal income (after taxes, etc.), available for consumption expenditures or savings is known in Department of Commerce estimates as "disposable income." This rose from an annual rate of \$170 billion in the first quarter of 1947, to an annual rate of \$195 billion by the fourth quarter of 1948 or by about 15%. During the same period the annual rate of personal consumption expenditures rose by about 14% — from \$158 billion in the first quarter of 1947 to \$180 billion in the last quarter of 1948.

Since the consumers' price index rose by about 12% in this period and the population increased by about 3%, both per capita disposable

income and consumer expenditures on a physical volume basis actually declined.

Savings of the People: The worsening position of the mass of consumers in the economic picture is indicated also by the fact that the total personal consumption expenditures (of all classes together) have been a declining percentage of the total gross national product in recent years.

Before the war nearly 75% of the national output went into consumption, but by 1948 the percentage had fallen to under 70%. As the Economic Report of the President to Congress in January, 1949, put it, "The proportion of consumer expenditures in the total national product has never been lower in any peacetime year for which statistics are available."

The same report referred to the fact that "many consumers have been spending less freely, especially during the latter part of 1948." One of the reasons for this was "the using up of past savings and feasible credit resources by people who have been unable to make ends meet during the inflation."

Decline in the possibility of saving by large masses of people was shown in the striking figures issued by the Federal Reserve Board, after its 1948 Survey of Consumer Finances prepared for it by the Survey Research Center of the University of Michigan. The survey revealed an increased volume of what it called "dissaving," that is, more and more people were spending in excess of their incomes. In fact, it found that about 13.5 million, or 28% of all spending units, were in this "dissaving" category even in 1947, and they spent about \$11 billion in excess of their incomes. As a group, those who had incomes of less than \$2,000 were "dissavers."

But while these people were unable to save and were forced to dip into past savings, the survey found that those with incomes of \$5,000 and over accounted for over 80% of the net savings. The tenth of the nation's spending units having the highest incomes accounted for roughly 75% of the total net savings.

In its study of personal savings in early 1948 the FRB found that (after allowing for \$5 billion holdings of institutions) there were about \$125 billion in savings held at that time by all the people in the 48.4 million spending units of the country. This \$125 billion of liquid assets "held in early 1948 would be distributed among the various income tenths as follows: roughly \$55 billion held by the 4.8 million spending units which are the 10% with the highest incomes, \$50 billion by the

next 24.2 million (50% of spending units), and roughly \$20 billion by the 19.4 million (40% of spending units) with the lowest incomes." (Federal Reserve Bulletin, July, 1948.)

Consumer Credit Expanded: As consumers, especially in the lower income groups, saw their savings dissolved during the price inflation they resorted increasingly to various types of credit. As a result, the total consumer credit outstanding, which had been around \$8 billion at the end of 1939 before the war, reached a total of \$16 billion by the end of 1948. And installment credit, the most important component in this total credit figure, rose in the same period from \$4.4 billion to \$8.2 billion.

The Federal Reserve Board's 1948 Survey of Consumer Finances, reporting on consumer expenditures for durable goods, pointed out that an increasing proportion was bought on a credit basis. It said that "roughly one-third of all automobile purchasers made use of installment credit in 1947 as compared to one-fifth in 1946. In the case of other selected durable goods, buyers reported using installment credit for 35% of their purchases in 1946 and 42% in 1947."

This great expansion of consumer credit constitutes a lien on the future purchasing power of the people. In a period of rising unemployment and lower incomes it would prove to be an additional burden on the shoulders of millions who have been forced to resort to it during the last few years of inflationary prices and dwindling real wages.

Capital Outlays and Construction: One important reason for the size and duration of the postwar boom was the huge capital outlay for new plant and equipment. Such expenditures rose from an annual rate of about \$12.6 billion in the first quarter of 1947 to around \$20 billion in the fourth quarter of 1948, or by nearly 60%. (In 1939 they had totaled only \$5.2 billion.) At the end-of-1948 level they were running at a rate nearly four times as high as in the prewar year 1939. Even if we allow for the rise in the prices of machinery and equipment, which may have been as much as 85% in this period, the rate of capital investment in the fourth quarter of 1948 would still be more than double that of the prewar year 1939.

Just as the rise in capital expenditures contributed importantly to the high levels of production and employment in 1947 and 1948, the decline in these outlays was expected to be a major contributing factor in the downturn of business in 1949. Some corporation economists early in the year were predicting a slump of at least 20% in such expenditures in

the course of the depression. It was clear that such outlays would not be appreciably affected even if armament expenditures were higher than expected. For there is marked over-capacity especially in aircraft, ship-yards and similar war goods industries.

Another important prop to the high-level economy of the years 1947-1948 was the rise in new construction activity. Total new construction rose from a monthly average of around \$850 million during the first quarter of 1947 to about \$1.5 billion a month during the last quarter of 1948. Public construction during this period rose from around \$170 million a month to \$375 million, or by over 120%. Private construction went up from \$680 million a month to nearly \$1.2 billion, or by 76%. During the same period the number of residential non-farm dwelling units started rose from about 46,000 to 64,000 a month.

Retail Sales Trend: The demand for consumer durable goods was also an important factor in sustaining business during these two years, especially when nondurable sales began to slacken. Total sales of all retail outlets rose from \$8.2 billion in January, 1947, to \$9.4 billion in January, 1949, or by 15%. But during this period the retail sales of durable goods stores rose by 33%; sales of automobile stores rose by 64%, reflecting the big effective demand for cars that was being met. On the other hand, the sales of drug stores and of general merchandise stores rose by only 6%, while those of eating and drinking places remained unchanged. All of these increases are in dollar sales; the physical volume of sales in most lines of nondurable goods was somewhat lower at the beginning of 1949 than at the beginning of 1947.

During the first quarter of 1949 there was a significant drop in the demand for consumer durable goods which resulted in the cutback of production in all of these lines with the major exception of automobiles. Manufacturers' inventories, especially of finished goods, continued to rise in almost all industries.

Farm Prosperity Passes Peak: Various factors indicating the end of the boom and the approach of economic crisis were already apparent in other fields in 1947-1948. Most striking was the situation of the farmers. Prices of farm products reached a peak in January, 1948, when they were 99% above 1926 and 206% higher than the prewar level of 1939. This rise was similar to that which occurred after World War I. But after January, 1948, prices of farm products had declined about 15%. In the meantime the prices paid by the farmer, as well as his interest and taxes, were still as high as they were at the end of 1947.

As a result the position of the farmer deteriorated during 1948, and even for the two-year period the buying power of the net income of the farmer declined. The net income of all farmers rose by only 1% between the first quarter of 1947 and the last quarter of 1948. But during that period the prices paid by the farmer rose by around 12%; so that actual buying power of the farmer was down by somewhere around 11%. It was falling still lower in the early months of 1949. And Secretary of Agriculture Brannan declared in April, 1949, that "the peak of prosperity for farms seems definitely to have passed."

Movement of Prices: Another indication that business activity had passed its peak by the end of 1948 was the decline in wholesale prices. The Bureau of Labor Statistics' index of wholesale prices reached an all-time peak in August, 1948, and by the end of March, 1949, had declined about 6.5%. While food and farm prices accounted for most of this decline, the price index for commodities other than farm products and foods also dropped from the peak it had reached in November, 1948, at 153.5 (on a 1926 base of 100).

This decline in wholesale prices had up to the middle of March, 1949, been reflected only slightly in the consumers' price index of the U. S. Bureau of Labor Statistics. This index had shown the following course in quarterly averages over the two years 1947-1948.

CONSUMERS' PRICE INDEX

(1935-39 = 100)

	1947	1948
1st quarter	154.3	167.7
2nd "	156.4	170.5
3rd "	160.5	174.2
4th "	165.0	172.4

The decline from the peak in September, 1948, to February, 1949, was only 3% but some further drop was expected in the course of 1949. Even consumer food prices, which by July 1948 had risen to 132% above the August, 1939 (prewar), level, had fallen relatively little by February, 1949, or less than 8% below the postwar peak. They were still 114% above the prewar level.

Business Failures: The weakening economic position was reflected also in 1948 in a sharp increase in business failures which, according to Dun and Bradstreet compilations, rose to a total of 5,252 in 1948 compared with 3,476 in 1947 which in turn had been a considerable ad-

vance over the 1,130 reported for 1946 and the low of 810 in 1945. The annual rate of failures in the first quarter of 1947 had been 2,776, but by the last quarter of 1948 it had risen to 5,808.

Business casualties of all sizes were more numerous in 1948 than in 1947, with the sharpest upswing, 69%, in those where the amounts involved ranged from \$5,000 to \$25,000. The smallest rise in failures, on the other hand, was among the larger businesses with casualties involving \$100,000 or more.

The number of business casualties among retailers was sharply higher in 1948 than in 1947, the increase being 79%, the largest rise being noted for food and liquor stores, lumber, building materials and hardware, eating and drinking places and apparel and accessories establishments.

Growth of Unemployment: Although the years 1947-1948 on the whole were described by official agencies as years of "relatively full employment," the first symptoms of declining employment and growing unemployment were already evident.

Number of unemployed, as estimated by the U. S. Census Bureau, averaged 2.1 million in 1947 and 1948. This was slightly lower than in 1946 when it had reached 2.3 million but considerably above the wartime low of 700,000 reached in 1944.

These figures of the Census Bureau are challenged by detailed studies made by economists of the Electrical Workers (CIO) who estimate that the average unemployment in 1947 was over 3.1 million and in 1948 around 3 million, with a rise to nearly 5 million by March, 1949, when the Census Bureau estimate was less than 3.2 million.

Deficiencies in the Census Bureau estimates are found in the fact that it does not count as unemployed those workers laid off "temporarily" or waiting to start new jobs. Nor does it count any unemployment as existing for involuntary part-time workers, even though they may work only one hour a week. (The Census estimated that 2.3 million were employed less than 14 hours weekly in March, 1949.) The Bureau also excludes from the labor force, and therefore from the count of unemployed "a large number of jobless persons able and willing to work." If all of these corrections are made to the Bureau's estimates they are increased to around 4.7 million for March, 1949.

Even such reactionary journals as the Journal of Commerce admit that the Census Bureau estimates of unemployment are too low. This paper (April 7, 1949), pointed to the fact that although employment by the

Census Bureau estimates decreased only 3.7% between January, 1948, and January, 1949, the man-hours worked in manufacturing fell 5.8% in this same period. (Number of hours worked had fallen especially in the nondurable goods industry, and part-time work was much more common). It showed also that claims on file for unemployment benefits under state and veterans' programs had risen to 2.5 million by the end of February, 1949, or more than twice as many as in October, 1948, and the number of new claims filed weekly was running considerably higher than a year before. (Of course, claims for unemployment insurance do not correspond with the extent of unemployment since less than three-fifths of all workers are eligible for unemployment insurance).

The increase in productivity, through speed-up and the introduction of labor-saving machinery, is an admitted factor in the rise in unemployment in 1949. But more important is the overproduction apparent in various industries in relation to the buying power of the people. This had led to production cutbacks, layoffs and discharges in an increasing number of industries, first in the nondurable and then in the durable consumer goods industries, as well as in mining and on the railroads.

In the early months of 1949 the postwar boom in the United States was turning into a decline of indefinite dimensions. The boom had been temporarily maintained during the previous two years by business spending for new plant and equipment and by government expenditures under the Marshall Plan and for armaments. When business faltered in the early part of 1947, the announcement of the Marshall Plan gave it a temporary shot in the arm. Again in the spring of 1948 further rearmament plans helped to prop up the weakening economy.

But by the first quarter of 1949 the situation had changed from that of 1947 and 1948. Many factors, some of which have been outlined in this chapter, were beginning to undermine the structure of war and postwar inflation. New "soft spots" were appearing in the economy and a cyclical crisis of overproduction was regarded as in the early stages of development.

II. FACTS ON THE U. S. ECONOMY

CORPORATE PROFITS, 1929-1948

The trend of corporation profits since the year 1929 is shown in the table below based on estimates of the U. S. Department of Commerce. It estimates the profits, both before and after taxes, of all private corporations for each year of this period. It gives also the total amounts distributed to stockholders in the form of dividend payments and the profits "undistributed" or kept in the treasuries of the corporations each year.

PROFITS BEFORE AND AFTER TAXES, 1929-48

(Billions of dollars)

Period	<i>Corporate profits</i>		Total	<i>Corporate profits after taxes</i>	
	<i>before taxes</i>	<i>Corporate tax liability</i>		<i>Dividend payments</i>	<i>Undistributed profits</i>
1929	9.8	1.4	8.4	5.8	2.6
1930	3.3	.8	2.5	5.5	-3.0
1931	-.8	.5	-1.3	4.1	-5.4
1932	-3.0	.4	-3.4	2.6	-6.0
1933	.2	.5	-.4	2.1	-2.4
1934	1.7	.7	1.0	2.6	-1.6
1935	3.2	1.0	2.3	2.9	-.6
1936	5.7	1.4	4.3	4.6	-.3
1937	6.2	1.5	4.7	4.7	(²)
1938	3.3	1.0	2.3	3.2	-.9
1939	6.5	1.5	5.0	3.8	1.2
1940	9.3	2.9	6.4	4.0	2.4
1941	17.2	7.8	9.4	4.5	4.9
1942	21.1	11.7	9.4	4.3	5.1
1943	24.5	14.2	10.4	4.5	5.9
1944	24.3	13.5	10.8	4.7	6.1
1945	20.4	11.6	8.7	4.7	4.0
1946	21.8	9.0	12.8	5.6	7.2
1947	29.8	11.7	18.1	6.9	11.2
1948 ^a	34.0	13.2	20.8	7.6	13.2

¹Federal and state corporate income and excess profits taxes. ²Minus \$8 million.

^aBased on incomplete data. Note—Detail will not necessarily add to totals because of rounding.

This table is taken from the Annual Economic Review, January, 1949 of the Council of Economic Advisers. Some of these figures are revised estimates and supersede those given in previous Fact Books.

Discussing recent profit trends, the Council of Economic Advisers said the achievement of new peak records in production and sales in 1948, coupled with higher prices for manufactured goods, "led to a new peak record in the dollar volume of profits." Corporate profits, before taxes, rose from nearly \$30 billion in 1947 to an estimated \$34 billion in 1948. After taxes, these profits rose from approximately \$18 billion in 1947 to nearly \$21 billion in 1948.

Profits of Big Corporations Highest: Although many smaller corporations made very satisfactory profits during and immediately after the war, latest reports of government agencies have shown a relative decline in the prosperity of small business. The Council of Economic Advisers reported that "the smallest manufacturing corporations, with assets of \$250,000 or less, are reporting average profit ratios well below their 1947 levels, while the largest manufacturing corporations, with assets above \$100 million, are running well ahead. The intermediate groups are showing profit ratios somewhat below their 1947 levels." (The Economic Report of the President, Jan., 1949, p. 10.)

MONOPOLY AND PRICES

The monopolistic character of the so-called "free enterprise" economy is admitted by the Council of Economic Advisers in its Third Annual Report to the President, December, 1948, when it states that "we now find many industries dominated by a few large corporations."

"The process of concentration," it continues, "has proceeded so rapidly that, even before the war, it was reported by the Temporary National Economic Committee that four or fewer firms controlled 75% or more of the production of each of the industries which together produced one-third, by value, of all industrial products." (See also Labor Fact Book 8, Ch. II.)

Discussing the character of the "competition" that survives after industrial control becomes thus concentrated, it shows the attitude of the management of the monopoly firms toward prices and production.

"If the current market price yields a highly satisfactory profit" the manager or owner "is not inspired to expand his operations forthwith; he carefully avoids action which might spoil the market and leave him with a smaller total profit on a larger volume of business. If market de-

mand falls, he has a choice different from the one which the small firm in a truly competitive industry must make. Instead of reducing prices in order to mitigate the drop in production and employment, he may try to sustain the market price by reducing his volume of output."

To maintain these monopoly price policies it is not necessary for a firm to have complete control of the market. In fact, as the report states:

"There are few industries in this country where a single corporation controls as much as 40% of the business. But where three or four firms control more than two-thirds of the industry, much the same policy prevails. Each manager of a major firm knows that each of the others is similarly concerned to maintain a satisfactory market price and will rate his production to that end. The industry has an historical pattern of the share of the business to be enjoyed by each of the leaders, and each manager keeps within that pattern while adjusting his production to changes in demand. Each is confident that the one thing his nominal competitor will not do is to cut price in order to maintain production and sales."

THE MERGER MOVEMENT

The merger movement in the United States has greatly accelerated the trend toward economic concentration and the absorption of smaller, independent enterprises by the large monopolies.

The Federal Trade Commission, July 26, 1948, issued a report, "The Merger Movement," which stated: "During the current period, 1940-47," more than 2,450 formerly independent manufacturing and mining companies had lost their independence through mergers. These firms held assets amounting to \$5.2 billion, or roughly 5.5% of the total assets of all manufacturing corporations in the country in the year 1943.

Merger activity, the FTC said, had "turned sharply upward" with the end of the war, and in the final quarter of 1947 more mergers and acquisitions were reported than in any like period since 1930, with the exception of 1945.

In this respect the merger trend had closely followed the pattern established after World War I when it rose sharply and continued high until the crisis and depression of 1929-33.

The FTC showed that from 1919 through 1929 "more than 7,000 independent firms disappeared as a result of mergers and acquisitions. And by the end of 1947, the total had reached nearly 11,500."

The movement has recently been manifesting itself mainly in the

traditionally "small business" industries that previously had not seen so many mergers. About a third of the mergers in recent years have been in the food and beverage industries, in textiles, apparel and chemicals. Additional industries where mergers were particularly active were non-electrical machinery and oil and transportation equipment.

The FTC report emphasizes that high corporate profits have fed the merger movement. So great has been the concentration of profits in the treasuries of the biggest corporations that: "At the end of June, 1947, the 78 largest manufacturing corporations had sufficient net working capital to buy up the assets of some 50,000 manufacturing corporations of less than \$1 million in assets each, representing more than 90% of all manufacturing corporations in the United States."

Nearly a third of the companies acquired since 1940 have been absorbed by large corporations with assets exceeding \$50 million. Another two-fifths have been taken over by corporations with assets ranging from \$5 million to \$49 million. Of the nation's 200 largest manufacturing corporations, 123 have made corporate acquisitions since 1940. Some 33 of the top 200 corporations have bought out an average of more than five companies each, and 13 have purchased more than 10 companies each.

As the result of these mergers and the growing concentration of industry, says the FTC, "it would be blindness not to recognize the obvious fact that the effectiveness of competition, as the protector of the public interest, has been seriously weakened during the last several decades. In industry after industry, prices, production, employment and, in fact, all forms of economic activity have come under the domination of the Big Four, the Big Six, or in some cases the leader."

The FTC concludes that the trend toward monopoly represented by these mergers is so strong that "if nothing is done to check the growth in concentration, either the giant corporations will ultimately take over the country, or the government will be impelled to step in and impose some form of direct regulation in the public interest."

The report asserts that the people must find "some effective means of preventing giant corporations from steadily increasing their power at the expense of small business. Therein lies the real significance of the proposed amendment to the Clayton Act, for without it the rise in economic concentration cannot be checked nor can the opportunity for a resurgence of effective competition be preserved."

The amendment to the Clayton Act referred to would close the pres-

ent loophole whereby corporations (prevented by the Act from acquiring the stock of a competing corporation if the effect would be substantially to lessen competition) are still permitted to buy up the physical assets of a competitor and thereby accomplish the same purpose. For 22 years the FTC has urged such an amendment. A few progressives in Congress have supported it, but the big business interests have opposed it and Congress has failed to act.

MERGING IN THE STEEL INDUSTRY

The Federal Trade Commission in the same report shows how mergers and acquisitions accounted for a substantial proportion of the over-all growth of the major steel companies even in the more recent period 1915-45.

This study, it admits, "tends to understate the importance of external expansion, since it necessarily starts with certain original steel concerns which themselves were often the product of great consolidations of earlier companies, as in the case of the United States Steel."

The study reveals for this period the extent to which long-term growth of the major steel companies (following the formation of the original companies) has been due to external expansion through mergers and acquisitions: Bethlehem Steel, one-third; Republic Steel, two-thirds; Jones & Laughlin, one-sixth; Youngstown Sheet & Tube, one-fourth; American Rolling Mill, one-fifth; Inland Steel, one-tenth; Colorado Fuel & Iron, two-fifths; and U. S. Steel (which has made relatively few acquisitions since its original great consolidation), one-fourteenth.

For these eight companies taken together, the proportion of total increment in net assets due to acquisitions, is approximately 25%.

PATENT SYSTEM AID TO MONOPOLY

Evidence submitted by the Temporary National Economic Committee and other government agencies shows that the patent system is used "to buttress virtually every device for circumventing the purpose and intent of the anti-trust laws."

This statement was made by Prof. Robert A. Brady, University of California, in a discussion of the patent system in *The American Scholar* (Winter, 1948-49). He referred to the Hartford-Empire and the Owens-Illinois cases as well as to the optical glass case and those involving synthetic rubber patents.

In the same journal Dr. Bernhard Stern of Columbia University cited the case against the Hartford-Empire bottle monopoly in which that company admitted:

"In taking out patents we have three main purposes—(a) to cover the actual machines which we are putting out to prevent the duplication of them . . . (b) to block the development of machines which might be constructed by others for the same purpose as our machines, using alternative means . . . (c) to secure patents on possible improvements of competing machines, so as to 'fence in' those and prevent them from reaching an improved stage."

Such evidence indicates, as Dr. Stern points out, "that through patent pools and associated licensing techniques, giant cartels have been able to keep smaller manufacturers from producing unless they abide by discriminatory rules and regulations concerning the division of the field, production and prices. The fairly well-known case of the patent pool of the Standard Oil - I. G. Farbenindustrie cartel is merely illustrative of a widespread practice."

The international aspects of the patent system were covered in the same discussion by Robert W. Dunn of Labor Research Association, who pointed out that in two world wars against Germany the United States had found its productive capacity hamstrung by secret German influence especially in the chemical and metallurgical industries. "This influence was exerted largely through patent rights. Shortages in magnesium, aluminum, atabrine, synthetic rubber and other war materials were traced directly to illegal restrictive patents, and their related cartel agreements between such German companies as the I. G. Farbenindustrie and such American concerns as duPont and Standard Oil of New Jersey."

Free Enterprise in Electrical Manufacturing: In a report published in 1948 on the international electrical equipment cartel, the Federal Trade Commission shows how the patent system works in this field. These cartel agreements, says the FTC report, not only eliminated the potential threat of foreign competition for the two American monopolies—General Electric and Westinghouse. They also prevented independent U. S. electrical manufacturers from obtaining foreign patents and processes, except through payment of tribute to the Big Two monopoly.

International trusts thus maintain control of the market, hold up prices and eliminate competition. This is but a further example of the way corporate giants under what they themselves call "free enterprise."

destroy their competitors and conspire with their big partners abroad to control markets, maintain high prices and stifle competition.

On January 19, 1949, Federal Judge Phillip Forman at Trenton, N. J. convicted the General Electric Co. and eight related lamp manufacturers of violation of the Sherman Antitrust Act by maintaining a monopoly of the incandescent bulb industry. He found that GE had joined a cartel, set monopoly prices and absorbed rivals or forced them to the wall. The conviction, however, carried no fine or jail sentence.

ANTITRUST ACTIVITIES

In 1947 the Antitrust Division of the Department of Justice announced the starting of a campaign to prevent corporation price conspiracies which tend to victimize consumers.

Up to the middle of 1948 only about a dozen indictments had been obtained while another 50 to 100 were reported in preparation. Up to that time only one conviction had been won, along with two consent decrees.

The different types of antitrust cases which the Wall Street Journal (Dec. 7, 1948) reported would be brought in 1949, include those against price-fixing conspiracies, illegal use of patent rights to fix prices, collusive bidding, individual companies found to control too great a share of their industry's business (for example, the Aluminum Company of America—the most complete monopoly in the United States), as well as several long-standing cases like that against the Investment Bankers Association of America and 17 leading investment banking firms charged with conspiracy to monopolize the securities business.

Commenting on recent federal action against various companies for price fixing, Consumers Union's Consumer Reports (October, 1948) observed: "This is all to the good for consumers, who should not, however, expect too much from the program. Inflation is unfortunately too far advanced and moving too fast for traditional trust-busting actions to curb it now, although unquestionably they are valuable, particularly in publicizing monopolistic pricing practices. Under the antitrust laws the Justice Department must prove conspiracies to fix prices. That requires drawn-out litigation . . ."

Meat Packers: The same issue of Consumer Reports refers also to a suit filed September 15, 1948, by the Department of Justice against the "Big Four" meat packers charging them with controlling the market by selling at substantially identical prices and terms; controlling the

supply by limiting the livestock each will purchase; utilizing uniform cost formulas to set selling prices; and selling at "loading" rather than "delivered" weights.

The suit filed against Armour & Co., Swift & Co., Cudahy Packing Co., and Wilson & Co., charged them with violation of the Sherman Antitrust Act in that together they "accounted for 58% of the cattle, 54% of the hogs, 68% of the calves and 79% of the sheep" slaughtered under federal inspection during the last ten years. As a result there had been no effective competition among the "Big Four" packers for 55 years. The Antitrust Division further charged: "They possess such tremendous power to suppress competition and the systematic use of that power is so deeply imbedded in their whole method of doing business that nothing less than destruction of that power can provide an opportunity for any real or effective competition in the sale of meat and the purchase of livestock." (New York Times, Sept. 16, 1948.)

Delays and Penalties: The inadequacy of the present laws and procedures to prevent monopolistic price-fixing and other practices injurious to the consumer was indicated also by Consumer Reports, July, 1948, in summarizing some of the 1947-48 decisions of the U. S. Supreme Court in such cases. It said:

"Most of the cases illustrated the law's almost unbelievable delays—conspiracies permitted to flourish for as long as a decade unchallenged, then continued for a second decade while the cases against them pursued their slow-paced way through the Federal Trade Commission, the Department of Justice, and the courts.

"Even in those cases where serious violations of law over a period of years were found, the violators were let off with trivial penalties, or, more often, no penalties whatever beyond an admonition to cease their evil ways. When viewed within the framework of American business practices as a whole, the cases decided barely scratch the surface or trim the edges of the monopolistic practices known to exist."

Fines levied in antitrust cases are so small that monopoly practices are practically encouraged as a result. For example, the leading tire companies organized in the Rubber Manufacturers Association recently settled such a suit by paying a small fine of \$50,000. No one firm or person involved was fined more than \$5,000 although they were all charged with conspiracy to control prices, discounts, allowances and bonuses, and with other monopoly practices which increased tire and rubber prices by millions of dollars.

At about the same time a group of paint companies, doing an annual business of \$50 million in furniture paints alone, were fined only \$30,500. And one giant grocery chain was reported to be able to pay its fine in an antitrust case by raising the price of one can of beans for one day.

In the 58 years of antitrust enforcement, in which various companies had been convicted of mulcting the public and giving aid to future enemies of the United States, not a single corporation executive has ever gone to prison. In one case where a businessman was sentenced for price-fixing violations the sentence was reversed on appeal. In another case the sentence was suspended.

NARROW BASIS OF STOCK OWNERSHIP

The number of persons who own stocks in corporations in the U. S. has been greatly exaggerated. Even the business papers now admit this. The Journal of Commerce, August 5, 1948 observed: "Back in the '20s it was a common boast to say that the United States was becoming a 'nation of investors.' This was not true at the time, and it has become far less true as a result of the depression of the '30s and the consequent loss of interest in the stock market on the part of millions of Americans."

Figures from income tax returns to the U. S. Treasury indicate that about 5% of the adult population, or less than six million people, own any stock at all, most of them only a few shares.

Summarizing these figures for 1945, the latest year for which they are available, the CIO Education and Research Department (Economic Outlook, July, 1948) pointed out: "The 38 million people with yearly incomes under \$3,000 received on the average \$17 a year from interest and dividends. This amounts to 32c. a week. The 71 people with a yearly income over \$1 million received on the average over \$750,000 a year from interest and dividends. This amounts to \$14,423 each week. 32c.—as compared with over \$14,000 each week."

Recent reports of the Federal Reserve Board on consumer finances have indicated also that so-called "spending units" with annual incomes of \$2,000 or more, were not putting their money into common stocks. Only 5% of the total preferred such investment while 60% preferred federal savings bonds and 32% favored bank deposits (Federal Reserve Bulletin, July, 1948, p. 777.)

The same survey covering early 1948 shows stock ownership in approximately 4.5 million spending units representing an estimated 5.5

million persons. Another half million or so owned bonds other than U. S. government bonds. This gives a maximum of about 6 million persons holding stocks and bonds other than U. S. government bonds. As *Business Week*, July 24, 1948 commented, this is "considerably less than most Wall Streeters would have guessed."

Discussing the amounts of stocks and bonds held by various groups, this government survey said that "only 1% of spending units with no liquid assets and fewer than 10% of those with less than \$2,000 in liquid assets, reported stock or bond ownership." It noted also that "there were very few owners among skilled, semiskilled, and unskilled workers." In fact, where the occupation of the head of the spending unit was in this category 97% of the total held no stocks and bonds.

In the recent Labor Research Association study, *Trends in American Capitalism*, we estimate, on the basis of Census figures, that certainly not more than 10% and probably less than 5% of the total "labor force" in the U. S. could be classified as "capitalist" in any sense of the word.

Mere ownership of securities in itself does not mean control of a business or a corporation. For it is in the field of control that the real concentration exerts itself in the U. S. economy. The ownership of only a small percentage of the stock of a corporation can give a group of insiders (bankers or others) a stranglehold on the concern and complete domination over its policies.

The Temporary National Economic Committee showed from income tax figures of the U. S. Treasury in the period 1927-1937 that about 60% of all dividends went to only 1% of the total number of families and single individuals of this country (TNEC Monograph 12, p. 50). The TNEC showed also that some 75,000 persons owned one-half of all the corporate stock in the country and that 10,000 persons owned about one-fourth of it. (*Economic Concentration in World War II*, 79th Congress, 2nd Session, No. 6. These figures may be used to correct a mistake in a summary of the same study on page 19 of our *Labor Fact Book 8*.)

AMERICAN FOREIGN INVESTMENTS

United States investments abroad jumped \$8.1 billion in 1947 to an all-time high of \$28.8 billion. Of this total, private investments abroad were estimated at \$16.7 billion while government credits amounted to \$12.1 billion. By the end of 1948 the private investments had risen to an

estimated \$17.4 billion while government investments rose to \$12.8 billion — a total of over \$30 billion.

Of the \$8.1 billion increase in total investments abroad in the year 1947 some \$1.1 billion represented private investment, the largest increase of its kind since 1928 when the net capital overflow was \$1.3 billion.

Since the twenties there has been a marked change in the character of the private investment abroad. At that time most of the money loaned went into the dollar bonds of foreign countries. On the other hand, in 1947 most of the funds went into controlled enterprises, or so-called "direct investments," as well as into the well-secured bonds of the International Bank for Reconstruction and Development.

The increase of \$7 billion in U. S. government foreign investment in 1947, included \$3.1 billion invested in the International Bank and in the International Monetary Fund. It included also the loan to Britain amounting to \$2.85 billion, loans of \$800 million by the Export-Import Bank, and credits on the sales of surplus property and ships abroad.

Investment in Dollar Bonds: Less than \$2 billion of foreign dollar bonds are now held by private investors in the U. S. compared with about \$5 billion in 1935. This is the estimate of Standard & Poor's Corp., investment advisers. The decline is due to retirements of amounts outstanding, repatriation of bonds and purchases from abroad as well as the failure of other countries to float new issues here.

U. S. investors have not been interested in this type of foreign issue, especially as so many small and middle class persons were fleeced in the twenties and thirties when several foreign countries defaulted on their bonds. Later some of these countries bought back large portions of their issues at deflated prices and resumed payment of interest at extremely low rates. The Wall Street bankers who unloaded the original issues on the public, were indifferent to the situation as they had already received their commissions. Loans to Latin-American countries, especially during this period, were an expression of financial imperialism. Almost without exception these publicly offered loans were followed by the granting of concessions or monopolies to U. S. corporations.

Debt service, mainly at the lower interest rates, was paid in 1947 on about 52% of the publicly offered foreign dollar bonds outstanding. The remainder were still in default. This was a slight rise over 1946 but was mainly the result of the new bonds issued during 1947.

Only \$164.5 million of new foreign bonds were floated in the U. S.

market in 1947 by three countries—Australia, Netherlands and Norway. Although this amount of dollar bonds is comparatively negligible, “direct investments,” as noted above, have been increasing in foreign plants, mines and native companies, and total today nearly \$9 billion.

One purpose of the Marshall Plan was to encourage this direct type of investment by U. S. capital and companies in foreign countries, and to insure prompt payment in U. S. dollars of the profits from such investments to the private interests concerned.

This defense of private foreign investments is in line with the history of American foreign policy since the United States became an imperialist power. One of its most explicit postwar expressions was a statement by William L. Clayton, Under-Secretary of State for Economic Affairs, in October, 1946. The New York Times (October 26, 1946) report on the statement said that Clayton “believes the time has come when the United States should give greater support to foreign investments of its nationals in strategic minerals that are in short supply.” These, he said, included bauxite, manganese, nitrates, chromium, tin, copper, uranium, high grade ores and petroleum.

OIL IMPERIALISM IN THE MIDDLE EAST

An example of economic penetration closely related to the foreign policies of the United States is to be found in the Middle East. When the Truman Doctrine was announced in March, 1947, Barron's financial weekly wrote that the speech “in effect erects an American-trained Turko-Greek army between Russia and the world's largest oil reserves.” (As usual in such reports there is the implied but unsupported charge of threatened Russian expansion). Under the countries surrounding the Persian Gulf lie proved or indicated oil reserves of approximately 32 billion barrels.

Business Week reported, Sept. 25, 1948, that in addition to the millions of dollars already put into “this vast treasurehouse of petroleum . . . a \$2 billion investment will be made in Middle East oil over the next five years” by U. S. and related oil companies. Production in this area has already reached 1.1 million barrels a day. “It is increasing more rapidly than the output of any other of the world's major oil areas,” says The Lamp (Jan. 1949), organ of the Standard Oil Company (N. J.).

U. S. oil companies, including mainly those in the Rockefeller, Mellon and Morgan groups, already own or control concessions to about 50%

of this Middle East oil. The set-up in the various countries, with the main companies involved, may be summarized as follows:

Saudi Arabia: Here a U. S. company, Arabian American Oil Co. (Aramco), has an absolute monopoly through a concession covering over 280 million acres. In 1948 Aramco was already getting out about 410,000 barrels of crude oil daily. It has contracted for a 1,200-mile pipe line to the Mediterranean coast.

Aramco is owned jointly by Standard Oil of California, 30%; Texas Co., 30%; Standard Oil Co. (N.J.) 30%; and Socony-Vacuum Oil Co., 10%. The Trans-Arabian Pipe Line Co., which is building the pipe line, is owned by the same interests.

A loan to Aramco of over \$100 million was made by a group of banks headed by the Chase National Bank of New York (Rockefeller), and another loan of \$125 million was extended to Trans-Arabian Pipe Line Co. by a group of U. S. insurance companies—Metropolitan, Equitable, New York, Mutual, Northwestern, Aetna, Mutual Benefit, and the Traveller's.

Iraq: Here a 75-year concession is held by Iraq Petroleum Co., in which Standard Oil (N.J.) and Socony-Vacuum Oil Co. have a one-fourth interest along with British, French and Dutch interests.

Kuwait: In this sheikdom the Kuwait Oil Co., owned jointly by Gulf Oil (Mellon) and Anglo-Iranian Oil Co. (British) has a 75-year concession. Production in the first half of 1948 averaged about 100,000 barrels a day.

Oil rights of Saudi Arabia in the so-called Kuwait "neutral zone" near the head of the Persian Gulf between Kuwait and Saudi Arabia, were awarded in February, 1949, to the J. Paul Getty interests which control Pacific Western Oil Corp. The other half interest in this area, held by the Sheik of Kuwait, was granted in 1948 to the American Independent Oil Co. headed by Ralph K. Davies.

Iran: Standard Oil (N.J.) and Socony-Vacuum Oil Co. are involved, through a purchase agreement, in a 60-year concession in southern Iran held by the Anglo-Iranian Oil Co.

Bahrein Islands: In this protectorate of Great Britain off the east coast of Arabia, the Bahrein Petroleum Co. is exploring for, producing and refining oil. This company is owned half by Standard Oil Co. of California and half by the Texas Co. which is tied in closely with the Continental Illinois Bank & Trust Co. of Chicago.

Other Middle East Countries: In Qatar, Syria, Lebanon, Palestine,

Cyprus, Trans-Jordan, and coastal Arab states the Iraq Petroleum Co., in which U. S. interests are involved (see above), has oil rights, concessions or other interests in land with oil reserves of around six billion barrels.

Oil and U. S. Foreign Policy: "National security" is, of course, the term used to cover up the basic profit interests of the companies engaged in this exploitation of Middle East oil. A few days before the Truman Doctrine was announced, Clifton Daniel of the New York Times, writing from Cairo (March 1, 1947), pointed out that "It means, first, a supply for foreign markets of American companies—the opportunity to make money. . . . In the long run it means having adequate reserves for purposes of war. . . . Protection of that investment and the military and economic security that it represents inevitably will become one of the prime objectives of American foreign policy in this area."

The New York Times reported (March 2, 1949) that the U. S. and Saudi Arabia were "in the final stages" of negotiating a contract that would give the U. S. Air Force continued use of the Dhahran Airfield on the Persian Gulf, "in the center of the highly critical oil region that makes the Near East an almost invaluable raw material supply center."

This investment in Middle East oil is in line with the aggressive policies of the U. S. oil companies which became notorious in the 1920's. It is estimated that more than two-thirds of the total direct long-term foreign investments made by U. S. capital in all fields in 1947 were made by the oil companies. Expansion has been carried on also in various Latin American countries, in Venezuela, for example (where U. S. companies put \$180 million of new investment in 1948 alone), while the State Department has been exerting pressure on Mexico, Peru, Colombia and Brazil to offer more favorable terms to U. S. oil concessionaires. At the same time some of these companies have been building new refineries in Europe, aided as in the case of Italy by U. S. government action. Standard-Vacuum and Texas Co. interests also gained by the Dutch invasion of the Indonesian Republic.

TRUMAN'S "BOLD NEW PROGRAM"

The "fourth point" of the President's anti-Communist inaugural address January 20, 1949, brought widespread discussion and conjecture. Stating that the material resources of the U. S. are limited but that the resources of its technical knowledge are inexhaustible, he offered these

latter to help "more than half the people of the world" who are living "in conditions approaching misery."

At the same time the President warned that capital placed in such enterprises for economically backward peoples must be so handled as to protect the investments, whether of private interests or government funds.

Critics of this "bold new program," as Truman called it, said it was not so new. The Nationalist government of China, in which the U. S. had invested \$6 billion with no return guaranteed, was falling. Likewise, the conviction was growing that the Marshall Plan (ERP) would not, as promised, establish economic stability in Europe by 1952. These critics suggested it might have been necessary for the President to launch a new venture in the foreign economic field in order to draw attention away from past failures to control the economic life of the rest of the world. Secretary of State Acheson's explanation a week after the inaugural that the program would increase the worth, freedom and dignity of the individual people everywhere sounded familiarly like the previous defense of the Truman Doctrine, which had led to direct support of reaction in Greece and Turkey.

The National Association of Manufacturers pledged immediate support of the program, sending a delegation to the White House to see the President about it. But reaction to it in financial circles was somewhat mixed. One of the leading confidential business letters regarded the "no exploitation" proviso of the plan with nothing short of cynicism. Of course there will be exploitation, it admitted, but it will be "limited," not like the old style. Also, it explained, "plenty of profits are intended . . . even big profits." It thought the prospects were bright, under such a capital-export program, for U.S. corporations to develop Africa and to succeed to the imperialist role formerly played by Britain.

The Wall Street Journal, under the headline "Foreign Aid Forever," explained that "the scheme is not entirely altruistic" and that first priority would be given "to those countries on the front line of defense against expanding communism and those projects which will boost supplies of raw materials vital to the U. S." In other words, it would help the U. S. military machine to suck needed strategic raw materials out of various "backward" countries. And Barron's weekly advised caution lest any resources "transferred from this country to the rest of the world might go to strengthen our enemies."

Those who remembered the speech of Henry Wallace in 1942 on The

Price of Free World Victory, in which the then Secretary of Commerce suggested the pledging of U. S. help to backward countries, also recalled the howls of derision which went up at the same time from the very quarters which were now supporting the Truman version. Whereas Wallace had been scoffed at as an idealist trying to force milk on unwilling Hottentots, Truman was praised for his "bold program" to stave off Communism through guaranteed loans to private corporations for the development of these same areas of the world.

Five days before Truman's speech, the United Nations had issued a report on "Technical Assistance for Economic Development Available through the UN and the Specialized Agencies," through: 1. the request of governments concerned to meet the needs of the country, and 2. the rendering of such technical assistance without outside economic or political interference. An appropriation of \$288,000 by the General Assembly in December, 1948, was to lay the foundation for such technical assistance. Yet nowhere in Truman's plan was any reference made to this UN program (in which the U. S. participated). The question grew whether the new plan, like the Truman Doctrine, the Marshall Plan and the North Atlantic Pact, would not by-pass the UN still further, thus weakening it and leaving the world open for further U. S. penetration and for guaranteeing profits to U. S. industrialists.

THE COLD WAR BUDGET

The federal budget for the fiscal year 1950 (starting July 1, 1949) as presented to Congress by President Truman on January 10, 1949, was called by the Journal of Commerce "a cold war budget." It calls for nearly \$22 billion for military spending ("national defense"), cold-war operations ("international affairs," etc.), and atomic research. Veterans services are cut to \$5.5 billion, and \$5.5 billion is also to be paid in interest on government debt, these two items making up what we call "aftermath-of-war" expenditures.

Housing is slated to get only \$400 million while no provision is made for salary increases for government employees. Expenditures for social welfare, health and security will total only \$2.4 billion or less than 6% of the total budget in the fiscal year 1950, even though some \$5.3 billion will be collected in payroll taxes. The difference is added to trust accounts which can then be siphoned off into armaments and related expenditures by being invested in government bonds. (This is a

device whereby workers pay excessive payroll taxes without receiving proportionate social security benefits.)

The figures in parentheses beside the 1941 and 1950 columns below show the percentage of the total spent for each item.

FISCAL YEARS ENDED JUNE 30
(in billions)

	1941	1948	1949	1950
War and war preparations	\$6.5 (48.5)	\$16.2	\$19.5	\$21.7 (51.8)
Aftermath of war	1.7 (12.7)	11.8	12.1	11.0 (26.2)
Social security	2.5 (18.7)	1.9	2.0	2.4 (5.7)
Housing facilities	0.1 (0.8)	—	0.3	0.4 (1.0)
Labor	0.2 (1.5)	0.2	0.2	0.2 (0.5)
All other purposes	2.4 (17.8)	3.7	6.1	6.2 (14.8)
Total	\$13.4 (100.0)	\$33.8	\$40.2	\$41.9 (100.0)

The table shows clearly the war character of the budget in the fiscal year 1950 compared with two previous years and the year 1941. It will be remembered that 1941 was a year of intense war preparations, yet the amount devoted to war and war preparations in that year was only a third of the amount spent for the same purpose in the fiscal year 1949 and less than 30% of the amount to be spent in the fiscal year 1950, the fifth year of "peace."

Note also that the budget figures for 1950 do not include possibly \$1.5 billion or more that will be added in this year alone to buy arms for certain European countries under the North Atlantic Pact.

TRENDS IN TAXATION

The growth in federal taxes from the fiscal year 1941 to fiscal year 1950, with war spending again on the increase, is shown in the following table.

The most revealing figures are those on corporate taxes. In the face of profits unheard of in American history, corporations are paying relatively less taxes. Note, on the other hand, the way in which individual income taxes have held up when compared with 1945, and the increase in excise taxes which are largely taxes on consumption bearing most heavily on low-income families.

TYPES OF FEDERAL TAXES

(millions of dollars)

<i>Kind of tax</i>	<i>1941</i>	<i>1945</i>	<i>1948</i>	<i>1949*</i>	<i>1950*</i>
Individual income	\$1,824	\$19,789	\$21,896	\$19,327	\$19,788
Corporate income & excess profits	2,211	16,399	10,174	11,709	12,252
Excise	2,390	5,934	7,402	7,715	7,900
Social security	932	1,793	2,396	2,610	5,284
Customs	392	355	422	407	407
Miscellaneous	236	3,480	3,809	2,276	1,831
Total	\$7,985	\$47,750	\$46,099	\$44,044	\$47,462
Deduct appropriations to reserves, refunds and adjustments	758	2,989	3,888	4,463	6,477
Net receipts	\$7,227	\$44,762	\$42,211	\$39,580	\$40,985

*Estimates based on President's budget message, Jan. 10, 1949.

In 1939, individual federal income tax exemptions were \$2,500 for a married couple plus \$400 for each dependent, and \$1,000 for a single person. A 10% "earned income" credit was allowed and the tax rate in the lowest taxable group was only 4%.

But by 1948 the exemption stood at only \$600 for each person, or \$2,400 for a family of four compared with \$3,300 for the same family in 1939. The 10% "earned income" credit had long been abolished and the lowest tax rate was 16.6%.

Under these rates a married worker with a wife and two children, earning \$3,500 a year, who had been tax exempt in 1939, had to pay a federal income tax of \$128, despite a 71% increase in the cost of living since 1939.

In 1939, individuals with taxable net incomes under \$5,000 paid less than 10% of the total individual income taxes received by the federal government. But during 1948, it is estimated, individuals in this low income group were paying over 50% of the total. This means that there was a 400% increase in the share of the burden allotted to the low income group, while the decrease in the share of the burden allotted to the high income group was over 44%.

1948 Tax Law: The Revenue Act of 1948 was the most recent act tending to shift the federal tax burden from the shoulders of the rich to those of the wage earners. A long step in this shifting operation had been taken in the tax act of 1943 which President Roosevelt had de-

scribed as "not a tax bill, but a tax relief bill providing relief not for the needy but for the greedy." But Congress had passed the bill over his veto. Then in the 1945 revenue act the excess profits tax on corporations had been eliminated and a 5% across-the-board reduction had been made in individual taxes favoring the rich.

The 1948 Act raised individual exemptions from \$500 to \$600 and permitted splitting of incomes and estate taxes by all married couples; at the same time it gave reductions which again favored upper-bracket taxpayers. The first step was in the right direction but a very small one; the second served to legalize one of the worst tax loopholes designed to give more than a billion dollars to those persons making over \$5,000 a year; the third change meant that a family of four, earning \$3,000 in 1948, saved \$7.20, or less than 14¢ a week, while a family of four, with an income of \$100,000, saved over \$7,700 or almost \$150 a week.

The net effect of the 1948 Act was to give \$2 billion in tax relief to the 2,300,000 taxpayers making over \$5,000 a year and \$2 billion in tax relief to the 41,500,000 taxpayers earning less than \$3,000 a year. Congress called this "equality."

Tax Programs: To correct some of the injustices in the current tax situation the CIO proposes to increase personal exemptions to \$1,500 for single persons, \$3,000 for a married couple, and \$600 additional for each dependent. This would exempt a family of four earning \$4,200 or less. It proposes also that a taxpayer who cannot use all his personal exemption in one year, because of unemployment or any other reason, be permitted to carry over his unused exemption for two years.

The Progressive Party urges the reduction of taxes on individuals in the lower-income groups by increasing personal exemptions to \$1,500 for a single individual and \$2,500 for a married couple, plus \$750 for each additional dependent. This would exempt a family of four earning \$4,000 or less. It has proposed also the elimination of the split-income feature of the 1948 tax law and enactment of "mandatory joint returns" for husbands and wives. It would also apply the 1947 rates to all higher-bracket income.

Corporation income taxes would be doubled under the Progressive Party proposals, either by a steeply graduated tax or by combining the income tax with an excess profits tax, with an exemption for small business. It urges also a sharp cut in excise taxes in order to stimulate consumption and increase the purchasing power of low-income groups.

III. LABOR AND SOCIAL CONDITIONS

DISTRIBUTION OF INCOME

Half the families (spending units) in the United States had incomes of less than \$2,530 in 1947. More than a third of all (36%) had incomes under \$2,000.

The Federal Reserve Board reported these figures in its 1948 Survey of Consumer Finances, conducted for the board by the University of Michigan Survey Research Center. (Federal Reserve Bulletin, June and July, 1948.) The survey refers to "spending units" which it defines as "all persons living in the same dwelling and belonging to the same family, who pooled their incomes to meet major expenses."

While the total amount of income increased in 1947 above 1946, its distribution in the population did not show any significant shift. In both 1946 and 1947, the tenth of the nation's spending units with the highest incomes received approximately one-third of the total money income. Nearly half (48%) of all money income went to the two highest tenths in 1947, these figures show, while the lowest tenth got only 1% of the total. The upper 30% received nearly two-thirds (60%).

The FRB survey shows further that of the 48.4 million spending units in 1947, some 6,776,000, or 14%, received less than \$1,000, while a small group of 2,420,000 (5%) got \$7,500 and over:

6,776,000 spending units (14%)	received less than \$1,000
17,424,000 spending units (36%)	received less than 2,000
28,556,000 spending units (59%)	received less than 3,000
36,784,000 spending units (76%)	received less than 4,000
41,624,000 spending units (86%)	received less than 5,000
6,776,000 spending units (14%)	received \$5,000 and over
2,420,000 spending units (5%)	received \$7,500 and over

Out of every 100 families (spending units), this survey shows, 76 had incomes of less than \$4,000 in 1947, the year in which the Heller family budget called for nearly \$4,000 to meet its modest standard of living. (See Cost of Family Budget in this chapter.)

Family Income in 1947: In its 1948 Survey of Consumer Finances, the Federal Reserve Board shows the distribution of income not only among the 48.4 million spending units, as summarized above, but also

among the 42 million family units. The Census Bureau defines a family as "all persons living in the same dwelling who are related by blood, marriage or adoption." Thus there may be more than one spending unit in any family.

The median income of family units was \$2,920, somewhat higher than the \$2,530 shown for spending units, the FRB reported. Half of all family units thus received less than \$2,920. The figures below show the distribution of money income among the 42 million family units in 1947:

5,460,000 families (13%)	received less than \$1,000
13,020,000 families (31%)	received less than 2,000
21,420,000 families (51%)	received less than 3,000
30,160,000 families (68%)	received less than 4,000
33,180,000 families (79%)	received less than 5,000
8,820,000 families (21%)	received \$5,000 and over
3,360,000 families (8%)	received \$7,500 and over

About a third of all families (31%) had incomes of less than \$2,000, this survey shows. More than half (51%) received less than \$3,000, while more than two-thirds (68%) got less than \$4,000.

Yet for that same year, 1947, the Heller family budget called for \$3,894 and the lower Bureau of Labor Statistics budget for \$3,500. In other words, two-thirds of the nation's families could not meet the modest Heller budget standard, and considerably more than half could not meet even the inadequate BLS budget.

Census Bureau Report: In February, 1949, the U. S. Bureau of the Census reported on the distribution of income among 37 million families in 1947. It estimated that 18 million families, or 48% of all, had less than \$3,000 in that year. Some 26 million, or 70% of all, had less than \$4,000.

At the top of the scale, the Census estimated, were about seven million families, or 19% of all, that received \$5,000 or over in 1947. Of these, one million, or 2.6%, had \$10,000 or more.

AVERAGE ANNUAL EARNINGS

In all industries of the United States in 1947 the annual earnings per full-time employee averaged \$2,595. This average, as always in U. S. Department of Commerce estimates, included not only wage-earners and lower-salaried employees but also high-paid executives and company officers who are regarded as company "employees."

The Commerce Department issues each year a study of national income, including the average annual earnings per full-time employee in some 85 industries and services. From the latest such study (Survey of Current Business of July, 1948) we take the following figures showing average full-time annual earnings in 34 groupings in three years:

AVERAGE ANNUAL EARNINGS OF A FULL-TIME EMPLOYEE

	1945	1946	1947
All industries, total	\$2,204	\$2,365	\$2,595
Agriculture, forestry & fisheries	1,100	1,225	1,292
Farms	1,057	1,181	1,247
Metal mining	2,551	2,629	2,970
Anthracite mining	2,685	2,890	3,141
Bituminous mining	2,629	2,726	3,201
Construction (contract)	2,599	2,539	2,840
Manufacturing	2,517	2,512	2,795
Printing & publishing	2,575	2,871	3,202
Automobile, etc.	2,968	2,821	3,200
Chemicals, etc.	2,670	2,762	3,147
Machinery (except elec.)	2,930	2,854	3,138
Rubber products	2,722	2,842	3,064
Iron and steel	2,792	2,696	3,050
Non-ferrous metals, etc.	2,735	2,715	2,919
Paper & allied products	2,365	2,528	2,907
Electrical machinery	2,584	2,618	2,878
Stone, etc., products	2,249	2,380	2,678
Food products	2,171	2,385	2,675
Furniture, etc.	1,988	2,180	2,450
Textile mill products	1,815	2,052	2,326
Leather & products	1,966	2,132	2,302
Apparel & fabric products	1,943	2,194	2,319
Lumber & timber products	1,618	1,761	2,079
Tobacco manufactures	1,676	1,824	1,971
Wholesale & retail trade	2,138	2,404	2,661
Finance, insurance, etc.	2,371	2,592	2,759
Security & commodity brokers, etc.	5,286	5,245	4,714
Railroads	2,706	3,051	3,198
Telephone & telegraph	2,246	2,414	2,608
Services	1,670	1,871	1,973
Hotels, etc.	1,524	1,722	1,842
Medical, etc.	1,333	1,529	1,762
All private industries	2,257	2,369	2,601
Government, etc.	2,091	2,348	2,559

In only one grouping of all those surveyed in the Department of Commerce study did average annual earnings of full-time employees in 1947 exceed \$4,000. That was in the field of finance — “security and commodity brokers, dealers and exchanges” whose average was \$4,714, by far the highest in the entire study. In the majority of groups, the average fell below \$3,000.

Yet the standard family budget, priced by the Heller Committee as of September, 1947 called for \$3,894 in that year. The “security and commodity brokers” group was the only one where the average annual full-time employee’s earnings gave him enough to meet this Heller standard budget. The average of \$2,595 in all industries fell below the standard budget by approximately \$1,300.

The lowest of these average annual earnings of full-time employed workers was only \$1,247 in 1947 for those employed on farms. This very low average reflected, in part, the extremely low earnings of farm workers in the South.

WAGE INCREASES

In the three years between V-J Day in August, 1945, and September, 1948, average weekly earnings of workers in manufacturing rose from \$41.72 to \$54.18, a gain of 29.8%. But in the same period the consumers’ price index of the U. S. Bureau of Labor Statistics went up by approximately 35%. In other words, average wages did not keep pace with rising living costs in those postwar years.

This lag in purchasing power was the main reason back of the third round of wage increases which started in the early part of 1948. The first postwar round had dated from February, 1946, when the steel industry granted a rise of 18½ cents an hour after a strike. The second round began in April, 1947, when the pattern was set by General Motors Corp. in an agreement with the Electrical Workers (CIO) for an increase of 15 cents an hour.

General Motors also led the way for the third round when it signed on May 25, 1948, a two-year agreement with the Automobile Workers (CIO) for a rise of 11 cents an hour with a two-way “escalator” provision. Under this contract, wages are raised or cut each quarter in proportion to the rise or fall in the BLS consumers’ price index.

The Ford Motor Co. granted its employees a rise of 13 cents an hour early in 1948, in a one-year contract with some fringe benefits (which did not affect the basic hourly rate). Meatpacking companies, headed

by Swift & Co., gave their workers an increase of four cents an hour, effective in October, 1948. This was in addition to a nine-cent hourly raise for meatpacking workers earlier in the year after a strike, making a total gain of 13 cents in 1948. U. S. Steel Corp. on July 16, 1948, granted a wage increase averaging 13 cents an hour but at the same time raised its prices nearly \$10 a ton.

At least 85% of all manufacturing workers and many groups in non-manufacturing industries received wage increases in 1948. (Monthly Labor Review, Feb. 1949.)

Discussing wages and labor relations in its annual economic report to the President, January, 1949, the Council of Economic Advisers said that the increases won during the third round "have ranged from only a negligible increase to as much as 35 cents an hour," with a large proportion in the neighborhood of 10 cents, "which represented an average increase of about 8%."

The cost of living, as noted elsewhere, rose during the year, however, although more slowly than in previous years. As a result, the report says that, after adjusting for price increases, "there was no significant change in the average weekly earnings of workers in manufacturing industries during the year." It concluded also that those who negotiated wage increases early in 1948 "have seen much of their gains subsequently dissipated by increases in the cost of living."

Efforts to obtain needed wage increases in 1949 were weakened by the sliding-scale provisions of the General Motors contract, which resulted in a drop of two cents an hour in March, and the failure of the Textile Workers (CIO) to obtain increases through arbitration. Unions that were pressing for increases in the so-called "fourth round" met with some success and by mid-March employer spokesmen admitted that increases were included in about 90% of settlements so far effected. Raises ranged from five to above 10 cents an hour, with fringe items such as pensions and insurance plans often included. A major contract, covering 3,500 workers of Minneapolis-Honeywell Regulator Co., gave the Electrical Workers (CIO) a flat three-cent hourly increase and benefits, through changes in insurance and vacation provisions and job classifications, figured at nearly five cents an hour more. A re-opening of the wage clause, however, was provided for after July 15 in case the big companies of the industry conceded larger benefits.

Militant unions like UE were pointing to the high corporate profits, and economists of the progressive unions figured that all U. S. corpora-

tions together, reporting around \$34 billion before taxes in 1948, could pay an average wage increase of 25% to all wage and salaried workers without raising prices and still have around \$14 billion in profits, or more than double the prewar average.

REAL EARNINGS TREND SINCE 1945

Largely as a result of the rise in the cost of living the average real wages of the worker fell between January, 1945, and the end of 1948. Figures of the U. S. Bureau of Labor Statistics showed that, mainly as a result of the removal of price controls and the resultant rise in living costs, the worker was considerably worse off at the beginning of the second Truman term than he was in January, 1945.

The trend of real wages for manufacturing industries as a whole is shown in the "gross average weekly earnings" of production workers expressed in 1939 dollars, thus allowing for the rise in consumer prices in recent years.

In January, 1945, the gross average weekly earnings of these workers expressed in 1939 (or prewar) dollars amounted to only \$37.15. But by December, 1948, the average had fallen to \$31.95, or about 14% below the January, 1945 figure.

Take-Home Wages Drop: When allowance is made for the cost of living and for the (withholding) income and social security taxes to the government, the position of the worker in manufacturing was less favorable than at the beginning of 1945.

The following table shows the net spendable average weekly earnings of production workers in manufacturing, expressed in constant 1939 (prewar) dollars.

	<i>January, 1945</i>	<i>June, 1946</i>	<i>December, 1948</i>
Worker with no dependents	\$30.81	\$27.81	\$27.98
Worker with three dependents	35.33	31.90	31.30

As these figures indicate, after he paid his taxes and the extra amounts required by the rise in prices, this production worker in manufacturing, if he had no dependents, saw his wages (expressed in 1939 dollars) decline by over 9% between January, 1945, and the last month of 1948.

If the worker had three dependents his take-home pay (in prewar dollars) was somewhat higher to begin with, but the decrease since January, 1945, was even greater, or over 11%.

RELATIVE POSITION OF WORKERS

In our recent book, *Trends in American Capitalism*, we made estimates of what we call the "relative position" of the workers in manufacturing industry in the United States over a period of years. This is done by balancing the worker's output against his real wage, thus arriving at an index which indicates roughly the share of his own production that finally goes to the worker. The index of the worker's "relative position" in manufacturing given in the table below brings up to date with revised figures the table in our *Trends in American Capitalism* and in our *Labor Fact Book 8*. The figures are given here for alternate years from 1939 through 1948:

RELATIVE POSITION OF WORKER IN MANUFACTURING (1939-1948)

<i>Year</i>	<i>Output per worker</i>	<i>Total payrolls</i>	<i>Consumer prices</i>	<i>Real payrolls</i>	<i>Real wages per worker</i>	<i>Relative position of worker</i>
1939	100	100	100	100	100	100.0
1941	117	160	107	150	114	97.4
1943	135	301	137	220	126	93.3
1945	129	281	147	191	126	97.6
1947	116	315	182	173	112	96.5
1948	116	346	196	176	112	96.5

Source: Output per worker is derived from the indexes of production of the Federal Reserve Board and employment as measured from 1939 to 1947 by the Department of Commerce ("full-time equivalent employees" in manufacturing) extended through 1948 by the employment index of the U. S. Bureau of Labor Statistics. Payrolls for the years 1939-1947 are Department of Commerce figures for wages and salaries in manufacturing extended through 1948 by the payrolls index of the Bureau of Labor Statistics. Prices are those of the War Production Board for the wartime years 1939-1944 and the Bureau of Labor Statistics for 1945-1948.

This table indicates that the worker in manufacturing was in a worse "relative position" in 1948 than he was before the war in 1939 even though real wages per worker (before taxes, of course) had risen a little in that period. Output per worker, however, had risen more than real wages in this period, thus pushing the relative position of the worker in manufacturing lower than it had been before the war and also below the level of the wartime year 1945. Note the decline in real wages since the wartime peak; this is shown also in our section above on the trend in real wages since 1945.

In *Labor Fact Book 8* we showed that the relative position of the

worker in manufacturing, measured in the same way between 1899 and 1946, had fallen 31%. By 1948, we now estimate, this index had fallen a little further and the relative position of the worker in manufacturing was then 34% below the level of the end of the last century. The "relative position" index fell from 100 in 1899 to 66 in 1948.

COST OF FAMILY BUDGETS

After two years' investigation, the U. S. Bureau of Labor Statistics developed The City Worker's Family Budget for a wage-earner's family of four — an employed father who works in overalls, a housewife not gainfully employed, and two children under 15 in school.

The budget was priced for 34 large cities in the spring of 1946 and again in June, 1947. Because the 80th Congress cut down funds available for this Bureau of Labor Statistics (BLS) work, it was not able to price the budget in 1948.

The BLS budget "was designed to represent the estimated dollar cost required to maintain the family at a level of adequate living — to satisfy prevailing standards of what is necessary for health, efficiency, the nurture of children and for participation in community activities." The budget level described is at a point "below which deficiencies exist in one or more aspects of family consumption," the BLS explains. It provides about 15% less than the standard Heller budget described below.

Including the cost of goods and services and the estimated cost of taxes, life insurance and occupational expenses, the total cost of this BLS budget ranged from \$3,004 in New Orleans to \$3,458 in Washington, D. C. in June, 1947. These two were the lowest and the highest-cost cities among the 34 surveyed. These totals, of course, do not take account of the rise in retail prices of living essentials since the 1947 pricing. Between June, 1947, and September, 1948, prices rose by 11%.

On a weekly basis, this 1947 BLS budget called for an average of \$57.77 in New Orleans, ranging upward to \$66.50 in Washington, D. C.

Here are the 34 cities surveyed by the BLS, with the total cost of the family budget in each:

TOTAL COST OF FAMILY BUDGET, JUNE, 1947

Washington, D. C.	\$3,458	Richmond, Va.	\$3,223
Seattle, Wash.	3,388	Philadelphia, Pa.	3,203
New York, N. Y.	3,347	Cleveland, Ohio	3,200
Milwaukee, Wis.	3,317	Portland, Me.	3,200
San Francisco, Calif.	3,317	Denver, Colo.	3,168
Boston, Mass.	3,310	Scranton, Pa.	3,163
Detroit, Mich.	3,293	Portland, Ore.	3,161
Pittsburgh, Pa.	3,291	Savannah, Ga.	3,150
Minneapolis, Minn.	3,282	Atlanta, Ga.	3,150
Chicago, Ill.	3,282	Jacksonville, Fla.	3,135
Mobile, Ala.	3,276	Manchester, N. H.	3,132
Baltimore, Md.	3,260	Cincinnati, Ohio	3,119
Los Angeles, Calif.	3,251	Indianapolis, Ind.	3,098
Birmingham, Ala.	3,251	Buffalo, N. Y. ¹	3,095
St. Louis, Mo.	3,247	Kansas City, Mo.	3,010
Norfolk, Va.	3,241	Houston, Texas ¹	3,007
Memphis, Tenn.	3,220	New Orleans, La.	3,004

¹ As corrected by BLS in later release.

In June, 1947, the budget for goods and services made up about 89% of the total. The cost of taxes, insurance, contributions, etc., made up the balance of about 11%.

For food the BLS allows more than one-third (36.4%) of the total budget for goods and services in a typical city. Birmingham, Ala., was chosen to represent the distribution of costs "because its costs are in the middle range for this group of 34 cities." Housing (including rent, fuel, light and housefurnishings) took nearly a quarter (24.2%) of the total, while clothing for the family required about 15% of the total.

Size of Family: In designating a family of four as the type for which the budget should be constructed, the BLS was guided by the Census of 1940, indicating "that about half of the urban families at their peak are of this size or larger, and about half are smaller . . . The outlay required to meet the budget constructed for a family of four would not provide the necessary minimum, similarly defined, for families with more than two children, in which more than half of the urban children are reared."

For the five-person family, the BLS estimates that the budget for goods and services would require about 14% more than for the four-person family. This would add from \$380 to \$440 more to the total 1947 budget in various cities.

Modest Level of Living: On the BLS budget the family is scheduled to rent a five-room house or apartment at a cost ranging from \$37 a month in New Orleans up to \$63 a month in Washington, D. C. The house has no telephone but the four persons are allowed to make three local calls, among them, each week. They are allowed enough stationery and stamps to write about one letter a week. The BLS itself comments:

"The modest character of these requirements may be judged by the following examples. The family owns a small radio, buys one daily newspaper, including a Sunday edition, and 32 copies of some popular-priced magazine in a year." It may buy one book in the year.

Nothing is allowed for any vacation. A life insurance policy premium of \$85 a year is included in the budget.

Comparison With Weekly Wages: Even the low BLS budget, described above, calls for considerably more income than most American wage-earners receive. Comparing the BLS weekly budget requirement (for San Francisco) with the average weekly earnings of manufacturing workers in the same month, we find that a factory worker's family of four, on the average, could not meet even this modest standard of living. Average weekly earnings and the weekly deficit are shown in the figures below:

	<i>BLS weekly budget requirement</i>	<i>Average weekly earnings in mfg.</i>	<i>Weekly deficit</i>
March, 1946	\$54.86	\$42.14	\$12.72
June, 1947	63.80	49.33	14.47

For the factory worker's family trying to make average weekly pay meet the modest BLS budget scale, there was thus a weekly deficit of \$12.72 in March, 1946, or an annual deficit of about \$660 in that year. In June, 1947, the weekly deficit ran to \$14.47, with an annual rate of over \$750.

Heller Family Budget: A standard budget for a wage-earner's family of four has been prepared and priced for the past 20 years by the Heller Committee for Research in Social Economics at the University of California. It is described as providing for the wage-earner's occupational group "those goods and services that public opinion currently recognizes as necessary to healthful and reasonably comfortable living." It is planned to cover the basic needs of a father, mother, boy of 13 and girl of eight, since "a family of this size is approximately the typical American family."

As priced for September, 1948, in San Francisco, the Heller budget

required \$4,111 a year or about \$79 a week for the four-person family. As the committee explains, however, the amount allowed for rent applies only to dwellings under rent-control and is less than the amount necessary in houses not under rent control. The total budget for 1948 cost \$217 more than in 1947 when it was \$3,894, and \$535 higher than in 1946 when it was priced at \$3,576.

The Heller budget is priced only for San Francisco but it has come to be recognized nationally as a standard budget. Costs of goods, rents, and services in San Francisco, the BLS found, are very close to those of Birmingham, Ala., chosen as a typical city because its costs are in the middle range of the group of 34 cities.

In September, 1948, the Heller budget for a wage-earner's family of four in San Francisco was as follows:

YEARLY BUDGET FOR A FOUR-PERSON FAMILY OF A WAGE-EARNER

(As of September, 1948)

<i>Item</i>	<i>Annual cost (including sales taxes)</i>
Food	\$1,408.51
Clothing	428.05
Housing	450.00*
House operation	131.65
Furnishings	137.29
Miscellaneous	1,279.90
Taxes	275.82
	<hr/>
	\$4,111.22

*With controlled rent.

On its 1948 allowance for housing, the Heller Committee explains that "it was only possible to secure rents of houses under rent control . . . although it is recognized that this figure is only typical of those families who are fortunate enough to live under these conditions." A figure based on controlled rents alone, the committee says, seriously underestimates housing costs. For those families who must live in dwellings not under rent control, therefore, the amount allowed for rent should be correspondingly raised.

Among miscellaneous items, the budget includes \$282.16 for medical and dental care; \$115.27 for life insurance; and \$119.50, or \$2.30 a week, for the family's recreation.

A factory worker's family of four, trying to make average weekly earnings cover the Heller budget, would run up a weekly deficit, as indicated below:

<i>September</i>	<i>Heller weekly budget requirement</i>	<i>Average weekly earnings in mfg.</i>	<i>Weekly deficit</i>
1946	\$68.77	\$45.41	\$23.36
1947	74.89	50.47	24.42
1948	79.06	54.18	24.88

Trying to meet the Heller budget standard of living on the factory worker's average pay, the family would have a weekly deficit of \$24.42 in September, 1947, or an annual deficit of about \$1,270. By September, 1948, the weekly deficit had increased to \$24.88 with an annual rate of about \$1,294.

HOURS OF WORK

Under the Fair Labor Standards Act of 1938, all time worked in excess of 40 hours a week is considered overtime and paid for at 1½ times the regular rate. But during the latter part of 1947 and the early part of 1948 employers, led by the National Association of Manufacturers and the Chamber of Commerce of the United States, were clamoring for a longer workweek of at least 45 hours without the overtime pay after 40 hours.

This extension of the workweek was necessary, they said, in order to "boost production," thus lowering their labor costs and increasing their profits. What they were actually proposing was the destruction of the Fair Labor Standards Act with its provision for overtime. Their attack on overtime pay was renewed in the 81st Congress.

Wage-earners in manufacturing industries averaged 40.1 hours of work a week in 1948. This compared with average weekly hours of 37.7 in the prewar year, 1939, and 45.2 in 1944, the peak wartime year.

Portal-to-Portal Act: In May, 1947, the portal-to-portal pay act was passed by Congress to restrict the rights of workers seeking pay for the time spent in traveling from factory gates to work bench, clean-up activities, sharpening tools, and similar make-ready work. Unions had entered suits for overtime pay totaling several billion dollars.

Under the 1947 law, no suits for pay for these activities could stand unless the extra pay was provided by custom or contract. This law was challenged before the U. S. Supreme Court in 1948 in an attempt by four groups of General Motors Corp. workers to collect for overtime

while changing into work clothes and preparing their tools. The workers, as members of the Automobile Workers (CIO), challenged the right of Congress to bar them from collecting such overtime. The U. S. District Court in Buffalo and the New York Circuit Court of Appeals both upheld the constitutionality of the law. The U. S. Supreme Court on December 6, 1948, refused to review the lower court decision upholding the law, thus in effect rejecting the union's challenge.

Longshore Case: The International Longshoremen's Association in its 1947-48 contract with the New York employers accepted a rate for night, Saturday afternoon, Sunday and holiday work that was 50% higher than the regular rate. This rate applied also to longshoremen working at those times but not working more than 40 hours a week.

Rank-and-file longshoremen claimed that the night, Saturday afternoon, Sunday and holiday work pay rate did not legally compensate members who worked at those times and in addition worked more than 40 hours per week. They claimed that time in excess of 40 hours should be paid at a rate 50% higher than the highest rate.

The U. S. Supreme Court by a five-to-three decision on June 7, 1948, upheld the rank-and-file longshoremen. It ruled that it was legal to pay the overtime on premium pay for working at night, on Saturday afternoon, Sunday and holidays.

The National Federation of American Shipping, the Chamber of Commerce, and the National Association of Manufacturers immediately labeled the decision as providing "overtime-on-overtime" and started a campaign for legislation in the 81st Congress to reverse the Supreme Court's decision.

Union Policies: At its 1948 convention the AFL adopted a general resolution in support of a shorter workday but postponed any immediate new drive for the six-hour day and five-day, 30-hour week. National CIO leaders leave the question of demands for shorter hours to the individual member unions.

The United Public Workers (CIO) at its convention in July, 1948, went on record in favor of a five-day, 35-hour week with no reduction in present pay and urged all locals to institute campaigns for shorter hours.

At its 1948 convention the Electrical Workers (CIO) adopted a resolution calling for "the 30-hour workweek with no cut in take-home pay." It said: "Workers are faced with the immediate problem of unemploy-

ment because they are producing more and more goods but are able to buy less and less of what they produce."

In its negotiations with employers early in 1949, the International Woodworkers (CIO) were demanding a six-hour day in order to spread employment over a greater part of the year.

PRODUCTIVITY INCREASES

A survey of productivity changes made by Factory Management and Maintenance (Sept., 1948) revealed that "productivity is up for the second year running," and the "rate of increase clearly exceeds the traditional '3% per year' of the 1899-1939 period."

Replies from 610 of the companies surveyed, with about 1,398,000 workers (more than 10% of total employment in the manufacturing industries), reported productivity up 4.4% in the year ended August 2, 1948. The results of this survey were considered an accurate reflection of conditions in industry as a whole. Productivity had risen in all of the eight industry groups covered by this survey, gains ranging from 2.3% to 5.1%.

In August, 1947, in a similar survey, 447 companies, with over a million employees, had reported an average productivity rise of 5.3% for the 19 previous months, or a rate of 3.3% per year.

Manufacturers reporting in this trade magazine survey expected productivity to increase 5.5% in the year ending August, 1949. That is less than the amount predicted for the previous year but more than the actual 1947-1948 gain.

The Annual Economic Review of the Council of Economic Advisers in January, 1949, stated that for the economy as a whole a productivity increase "of somewhat more than 2.5% a year should be possible."

A special survey by the National Industrial Conference Board, covering a group of representative companies, found that about 67% of them reported an increase in productivity in 1948 over 1947 ranging from 1% to 28%. The average increase for the group that showed a rise was 7.5%.

Reports of the U. S. Bureau of Labor Statistics of the Department of Labor, although limited in scope, back up the conclusion of the private studies that productivity is rising. They show for most industries that it has risen not only in the last year but over a period of years.

The increase in productivity in the rayon and allied products industry was the most spectacular. The gain here in output per man-hour between 1939 and 1947 was 97%. The rise from 1946 to 1947 was nearly 12%.

Corporate Non-Cooperation: The difficulties of obtaining adequate productivity data from corporations in certain industries are illustrated by U. S. Bureau of Labor Statistics' experience in the meatpacking industry. In 1945 the Bureau discontinued its index of man-hour output for meatpacking. At that time the index showed a gain of 11% over prewar 1939.

As a basis for an improved index the Bureau wanted to make a direct field study. But the big meatpackers refused to cooperate, as shown by a letter of Ewan Clague, Commissioner of Labor Statistics, addressed to the research director of the Packinghouse Workers (CIO) December 12, 1947: "We commenced this study with the understanding that all the large companies would cooperate with us. At a later date this cooperation was withdrawn and now the whole study is necessarily in abeyance."

THE SPEED-UP SYSTEM

Reports from labor unions indicate a marked rise in the speed-up since the war. This increase in the work load of the individual worker has been effected through the speeding up of conveyor belts and assembly lines and by the more old-fashioned method of threats and boss pressures which have been intensified especially in those industries where unemployment has been increasing and where the danger of being laid off is more imminent.

One feature of the postwar speed-up drive is the more extensive introduction of "incentive" wage payment schemes and the application of time studies where they have not been used before. Speed-up has been effected by the application of time study to set work loads for day workers, by upward revision of work standards under incentive plans, by changing jobs in such a way as to stiffen incentive work standards, and by increasing work loads by other devices and arrangements.

The largest increase in work loads, both in percentage terms and in overall gains for the employers, comes out of the shift from day work to incentive systems. Average workers often more than double their output in efforts to earn "premium" pay. Increases in production, ranging from 80% to 100% on a plant-wide basis, have been effected in this way and yet the premiums paid for such a big rise in output will usually average only from 20% to 30% of the base hourly rate.

Increase in speed-up under conditions prevailing early in 1949 contributed to the growing unemployment then recorded. It was estimated

by industrial engineers serving the labor movement that an increase in speed-up of only 5%, if applied on a national basis, would add about three million workers to the number of unemployed.

While certain union leaders were calling for more "efficiency" and "productivity," an analysis in Moody's Stock Survey (Feb. 21, 1949) confirmed the conclusion of progressives that, in the absence of adequate purchasing power, this might result in increased unemployment. After noting the fact that output per man-hour, as the result of speed-up and other factors, had increased since the spring of 1948, the investors' weekly added: "One practical effect of this may be increasing difficulty in absorbing the one million odd new workers added to the labor force each year . . . It is precisely this kind of effect which could, right at a time like this, add its force to the others which are contributing to the chances of a business recession."

HOUSING NEEDS AND PROGRAMS

In their Annual Economic Review, January, 1949, the Council of Economic Advisers reported to President Truman: "Our housing supply has lagged behind the rise in our general standards of living, and far behind our real capacities. Slums corrode our cities and shacks blot our rural landscape . . . Our housing needs cannot even be approached without a comprehensive program."

Most of the houses built since the war, the economic advisers pointed out, have been high in price. They "have either served the needs of the high income groups, or, with the aid of very high public guarantees to private investors, have been sold to people of low or moderate means at costs which might involve losses both to them and to the government in the long run." The average sales price of new houses was running at about \$7,500 in 1948.

Need Acute: At least a million or more new dwelling units are needed in urban areas each year for 10 years, it is conservatively estimated. Yet in 1948 only 926,800 new permanent non-farm dwelling units were started, the U. S. Bureau of Labor Statistics reported. This compares with 937,000 units put under construction in 1925, the peak year for housing starts. A decline in new housing starts began in June, 1948, and continued in following months.

"And now the decline in starts has set in," the Council of Economic Advisers commented, "before achieving even for one year a rate of new construction as high as the estimated annual need for 10 years."

In its housing survey in April, 1947, the Bureau of the Census found that one-tenth (9.9%) of the 41,625,000 dwelling units in the United States were in need of major repairs. Over one-fifth (21.7%) of the units had no running water. More than half (51.9%) had no central heating while over 10% had no electric lighting.

Negro Housing Worse: Greater overcrowding and fewer facilities were found among the non-white families, the U. S. government's Housing and Home Finance Agency reported in June, 1948. Nearly all of the non-white population is Negro. (See *Housing of the Non-White Population, 1940 to 1947.*)

About 15% of the dwelling units occupied by non-whites had more than 1.5 persons per room. Among white families only 4% of the units had more than 1.5 persons to a room. Of the units occupied by non-white persons, only 17% had six or more rooms, while 35% of those occupied by whites had six or more rooms.

Nearly two-thirds (about 60%) of the non-white units were lacking in one or more facilities: electricity, running water, flush toilet, bath or shower, or installed cooking equipment. But of the units occupied by white families, only about 20% were lacking in one or more of these facilities.

Legislation Inadequate: To provide a long-range housing program, a measure was introduced in Congress in 1945 and again in the 80th Congress in 1947 by Senators Robert A. Taft (R., Ohio), Allen J. Ellender (D., La.) and Robert F. Wagner (D., N.Y.). This Taft-Ellender-Wagner bill was passed by the Senate in April, 1948, but blocked by the House Rules Committee "because of its public housing provisions," as the *Wall Street Journal* (June 17, 1948) explained. The powerful lobby of the National Association of Real Estate Boards and other private interests succeeded in defeating this comprehensive housing program. Both AFL and CIO in their 1947 conventions had endorsed the T-E-W bill.

As a substitute measure, Congress in June, 1948, passed the Republican-sponsored amendments to the Servicemen's Readjustment Act which had been pushed by Sen. Taft and Rep. Jesse P. Wolcott (R., Mich.). The 1948 act purportedly liberalized the government's authority to insure mortgages for veterans' housing cooperatives, but even in that respect it was inadequate. It did restore the government's authority to purchase mortgages guaranteed under the G.I. Act, which Congress had allowed to lapse in 1947.

Long-Range Program: The estimate of 1 million new dwelling units needed per year for 10 years is too low, in the opinion of labor and progressive organizations. The CIO at its 1948 convention called for a "minimum goal of two million additional homes per year." The Progressive Party in its 1948 program called for the construction of 32 million new or rehabilitated dwelling units within the next 12 years, and for an extra 1,500,000 homes as a "reserve of vacancies" to prevent prices from rising.

Housing Bill of 1949: A new housing bill (S. 138) to be called the Housing Act of 1949 was introduced in the 81st Congress on January 5, 1949, by Senators Allen J. Ellender (D., La.), Robert F. Wagner (D., N.Y.), Claude Pepper (D., Fla.) and others. It contains most of the provisions of the former Taft-Ellender-Wagner bill. It would establish a national housing objective and provide for federal aid to assist slum-clearance projects of local agencies; provide for assistance for farm housing, and for other purposes.

The National Public Housing Conference in its January, 1949, letter noted, however, that the new Ellender bill "makes no pretense at being a comprehensive housing program with new plans and aids to assist the long-neglected middle income families."

Low-rent public housing provisions of the bill call for a program of only 1,050,000 dwelling units, spread over seven years of 150,000 a year, a small number compared with the need outlined above. Rents charged in public housing projects must be at least 20% below the lowest rents charged by private enterprise for "decent, safe, and sanitary housing." No family would be admitted if its annual income was more than five times the annual rent to be paid. Veterans would have preference for admission, and disabled veterans first preference. Private capital would be encouraged to invest in the projects at an interest rate of 2½% a year.

SOCIAL SECURITY DEVELOPMENTS

The 80th Congress rejected measures aimed at extending social security to the 20 million persons not now covered under the Social Security Act. But it overrode President Truman's veto and passed on June 14, 1948, a bill to exclude some 750,000 persons, mostly salesmen and others who work on commission, from social security coverage.

The new amendments provided for a slight increase, totalling \$184 million, in federal contributions to the states at the rate of \$5 a month

for needy aged persons and the blind, and \$3 a month for each dependent child. The House passed, but the Senate failed to consider, a bill to allow employees of city and state governments and of nonprofit organizations to participate in the social security system on a voluntary basis.

As it had done so many times in previous years, Congress again voted to freeze social security payroll taxes for old-age pensions at 1% for employers and 1% for employees. The original law called for a progressive increase in this tax up to 3% from each group.

Old-Age and Survivors Insurance: The number of persons actually receiving monthly benefits under the old-age and survivors insurance system in October, 1948, totalled 2,254,000, including retired aged workers, aged widows, children, and parents of deceased workers. Monthly benefits averaged \$25.28 in October, 1948. Average monthly benefit for men (as of June, 1948) was \$25.60; for women \$20.00. For a widow the average monthly benefit was \$25.50; for a child \$13.30.

But in the 13 years since the method of computing these retirement benefits was established, living costs have risen by more than 70%. Recognizing the inadequacy of present benefits, the Advisory Council on Social Security, headed by Edward R. Stettinius, Jr., reported to the Senate Finance Committee in April, 1948, that the level of benefits should be raised.

The Council recommended that large groups now excluded should be brought under coverage of the old-age and survivors insurance system. Coverage should be extended, it said, to an additional 20,000,000 workers, including 6,000,000 farmers, 3,500,000 farm wage-workers, about 6,000,000 in non-farm self-employment, 2,500,000 domestic workers, about 1,000,000 employees of non-profit institutions (such as hospitals and churches) and nearly 1,000,000 federal civilian employees not covered under the civil service retirement system.

Proposed Improvements: Two bills to extend and improve social security were introduced in the House on February 21, 1949, by Rep. Robert L. Doughton (D., N.C.). President Truman had asked they be offered "as a basis for consideration and discussion." They embody many of the changes recommended by the Advisory Council on Social Security, but they leave unemployment insurance benefits to the separate state systems, with their wide variations in payments.

The main bill, H.R. 2893, provides for extension of the old age and survivors insurance system to include farm laborers, domestic workers,

independent salesmen and self-employed persons, workers in non-profit institutions, and federal workers not under retirement plans. State and local government employees and members of the armed forces would also be eligible.

Maximum insurance benefits would be raised from \$85 to \$150. The formula for computing monthly benefits would cover 50% of the first \$75 of average wages, instead of only 40% of \$50 of average wages, as at present. It would also provide for 15% of additional average wages instead of the 10% now allowed. There would also be added to the monthly benefit 1% of the amount calculated by the formula for each year of coverage under the insurance system. Average pay would be computed for benefit purposes on the worker's five best consecutive years, instead of on his entire working lifetime.

Minimum benefits would be raised to \$25 for a retired person, as against \$10 now; \$17.50 for an aged widow, as against \$10; \$37.50 for a retired man and wife, as against \$15; \$50 for a widow and two children, as against \$17.50.

Retirement age for women employees, widows and wives would be reduced from 65 to 60 years. There is also a provision that a person could earn up to \$50 a month without loss of insurance benefits. The present limitation is \$14.99.

Disability Insurance: In this new bill introduced in the 81st Congress, there is a provision for disability insurance, for the first time in a social security measure in this country. It provides for payments of benefits for short periods of sickness up to 26 weeks with a weekly minimum of \$8. Maximum for a single person would be \$30, and for a person with three or more dependents the ceiling would be \$45. Long-term disability payments would be computed according to the size of previous earnings and the length of time the person had been under the old-age insurance plan.

Financing the Program: To pay for this program the bill proposes that the present 1% tax on employers and employees be increased to 1½% on July 1, 1949, and to 2% on January 1, 1950. For the self-employed the rate would be 2½%. These taxes would be levied on the first \$4,800 of annual income, instead of the present \$3,000.

Home Relief: The second social security bill, H.R. 2892, before the 81st Congress provides for the federal aid to states in conducting home welfare programs. It would provide aid for those who are simply needy, in addition to the aged, blind and needy dependent children.

Maximum home aid programs in which the government would participate would provide \$50 a month for one person or \$100 a month for two, and \$20 for each additional dependent. Present payments for the aged, blind, and for dependent children would be increased to those levels. The government would pay from 40% to 75% of the state expenditures for the needy. This home relief program would be financed by regular federal appropriations.

Unemployment Compensation: Weekly benefits paid to 726,900 unemployed persons averaged only \$19.53 in September, 1948, in the United States as a whole. Behind this general average were wide differences among the states. Unemployment benefits ranged from a low of \$12.25 a week in North Carolina to a high of \$22.58 in Utah.

In New York state under a measure passed in March, 1948, maximum unemployment insurance benefits were increased from \$21 to \$26 a week. Average weekly benefits were increased by \$4-\$6 a week. The duration of benefit payments was left at 26 weeks.

Federal Commissioner for Social Security Arthur J. Altmeyer told the Advisory Council on Social Security, May 7, 1948, that unemployment compensation should be equal to 50% of weekly wages up to a \$25 maximum, with a duration of 26 weeks after one week waiting period. But average weekly benefits had dropped to only 35% of weekly wages, he reported, adding that many state laws make it too easy to disqualify an unemployed worker from compensation.

With increasing unemployment in 1949, trade unions point out that their members receiving unemployment insurance are often forced to take low-paid jobs, far below union standards.

With the rise in living costs the average unemployment benefit of \$19.53 in September, 1948, was worth only \$11.19 in prewar dollars.

Union Proposals: The AFL executive council at its February, 1949, meeting endorsed a comprehensive social security program calling for a liberalization of present old age and survivor benefits, addition of disability insurance, and prepaid health insurance. It proposed that financing be by equal payments from employer and worker, with some contribution from the government; maximum payments to be 4% of wages up to \$4,800 a year for the entire program.

The CIO at its 1948 convention passed a resolution calling for enactment of a social security measure in the 81st Congress to include "adequate plans in the fields of old age, survivorship, permanent disability, temporary disability, health care, and unemployment insurance and for

a national employment service; the assistance programs should be bolstered by providing better and broader relief standards, with federal enforcement, more adequate payments to poorer states, and federal aid for relief cases."

Progressive Party Program: In its Budget for Abundance issued in February, 1949, the Progressive Party under the leadership of Henry A. Wallace called for an increase of 50% in benefits to the aged. Payments would start at once for all the aged, under this plan, thus eliminating the present public assistance program.

The Wallace plan would provide \$35 a week—the same as unemployment compensation—in disability payments to the temporarily disabled; and for the permanently disabled, \$65 a month for single persons, and \$100 a month for couples (the same rate as assistance to the aged).

The Progressive Party proposes a federal system of unemployment insurance to pay an average of \$35 a week for the period of unemployment. It would eliminate long waiting periods and the ban on benefits for strikers.

HEALTH NEEDS AND PROPOSALS

Every year in the United States, 325,000 people die whose lives could be saved if they had adequate medical care. These preventable deaths represent almost one fourth (23%) of all deaths.

Every year, the nation loses 4,300,000 man-years of work through bad health. During 1947 the nation lost \$27 billion in potential production through sickness and partial and total disability. Through premature preventable deaths occurring in 1947 and in previous years, \$11 billion in production was lost in 1947.

During World War II, the record of Selective Service examinations revealed that 5 million men, or about one-third of those examined, were declared unfit physically or mentally for service in the armed forces.

This summary of health conditions in this country was issued in September, 1948, by Administrator Oscar R. Ewing of the Federal Security Agency in *The Nation's Health: A 10-year Program*, a report to President Truman. It included the findings of public health experts, physicians and others who met in the National Health Assembly in May, 1948, in Washington, D. C.

Medical Care for the Few: A scant 20% of the U. S. population are able to afford all the medical care they need. In his report to the Presi-

dent in September, 1948, Federal Security Administrator Ewing declared that four-fifths of all families cannot pay for adequate medical care.

About half of all families — those with incomes of \$3,000 or less — find it hard, if not impossible, to pay for even routine medical care, he pointed out. Another 30% of American families with incomes between \$3,000 and \$5,000 would have to make great sacrifices or go into debt to meet the costs of a severe or chronic illness.

In 1948, about 25 million persons, 17% of the population, had insurance for actual services in hospitals, usually only for a limited number of days. Only about 3.5 million, less than 3% of the population, had anything approximating comprehensive insurance protection that includes hospitalization and also doctors' care.

The nation has only about 80% as many physicians as it needs, the Federal Security Administrator reported. In terms of adequate standards, the supply of physicians today falls short of needs by nearly 20%.

The nation has only 36,000 local public health workers and two-thirds of these, by present standards, are inadequately trained. At least 60,000 well-trained public health workers are needed immediately.

Negro Physicians and Discrimination: Negroes make up 10% of the population but only 2% of the country's physicians, Federal Security Administrator Ewing estimated in his 1948 report, mentioned above. He concluded:

"We can no longer tolerate in our society a system of medical care under which Negro physicians and Negro patients are discriminated against. There should be no racial barriers in the provision of adequate medical care. Qualified Negroes must be admitted without discrimination to the health professions, and to the use of training and health facilities . . . The opportunity to study and practice medicine should be open to all eligible candidates regardless of race, creed, or sex." This principle would apply also to Jewish physicians now subject to a quota and other discrimination in many medical schools and hospitals.

Negro Health Conditions: The death rate for Negroes in 1945 was almost 50% higher than for whites. It was 13.6 per 1,000 for Negroes, 9.2 per 1,000 for whites.

Life expectancy for Negroes at birth is 17% less than for whites. A similar disparity exists in records of childbirth. In infant mortality the national rate was, for whites, 31.8 deaths per 1,000 live births; for Negroes, 49.5. For white women the maternal mortality rate in 1947 was

1.1 per 1,000 live births, but for "non-white" women, 3.3, the U. S. Public Health Service reported.

National Health Insurance Proposed: The 80th Congress took no action on the Wagner-Murray-Dingell bill "to provide a national health insurance and public health program." This measure was reintroduced in the 81st Congress on January 5, 1949, by Senators Murray, Wagner, Pepper, Taylor and others, as the "National Health Insurance and Public Health Act of 1949," (S. 5).

This bill would provide for prepaid personal health service benefits for eligible individuals who "may freely select the physician, dentist, nurse, medical group, hospital or other person of his choice to render such services, and may change such selection." The physician would be free to serve or decline to serve under the plan.

A national health insurance board would be established in the Federal Security Agency to assist the states in the administration of the program. A separate account, "the personal health services account," would be created in the U. S. Treasury, to be available for payment of health services. Appropriations to this account would include sums equal to 3% of all wages (up to \$3,600 a year) estimated to be received during the first fiscal year, plus any further sums needed to meet expenditures.

The self-employed in farming, business or professions would be included in the national health insurance program. Self-employed would contribute 3% of their annual income.

AMA Against Health Plans: The American Medical Association announced on December 10, 1948, its plan to raise \$3.5 million for its fight against national health insurance. In an editorial, "A Call to Action Against Nationalization of Medicine," the Journal of the AMA notified members they would be assessed \$25 each for the propaganda campaign opposing medical care by federal legislation. The assessment was voted December 1, 1948, at a secret meeting of the AMA house of delegates in St. Louis.

Organized medicine through the AMA has always opposed progress in the extension of medical care to lower income groups. In 1932, it opposed voluntary (private, non-profit) health insurance as representing "socialism and communism." But now the AMA accepts voluntary health insurance as its own program in opposition to the broader, compulsory measure.

The AMA has worked for ten years through the "National Physicians

Committee," which is financed by the big drug monopolies. NPC's propaganda pictures national health insurance as a "Bolshevik plot." This committee has been lobbying in Washington for many years against any form of national health insurance.

Resistance to AMA: Several groups have expressed their opposition to the current propaganda drive and the \$25 assessment. Protests have been heard from all over the United States but the AMA control of practice opportunities, hospital staff memberships, teaching and training positions, has successfully kept open opposition to a minimum.

Physicians Forum has instituted a campaign to fight the assessment. Several hundred New York physicians voted against paying it. In addition, 136 of the nation's leading physicians and most of today's greatest medical teachers signed a public protest for publication in the general press and in the Journal of the AMA. So widespread have been the protests that the AMA has found it necessary to print a public statement of its so-called "Program for Advancement of Medicine and Public Health." (Journal of the AMA, Feb. 19, 1949.) This program offers a few new concessions to the growing public demand for adequate medical care but makes no significant contribution toward meeting the real needs of the people. In opposition to these AMA proposals, the Committee for the Nation's Health, including a number of leading physicians, is supporting the national health insurance program.

INDUSTRIAL DISEASES

The past two years saw some progress in the analysis and control of occupational or industrial diseases. Recent developments in this field were summarized by John F. McMahon of the Industrial Hygiene Foundation of America in the quarterly journal, *Advanced Management* (December, 1948).

Silicosis and Lead Poisoning: For all the attention they have received, these two occupational diseases are still widespread. Cases of silicosis continue to develop in the soft coal fields, especially in southern West Virginia, as well as in metal mining and other industries.

With a grant of \$575,000 from the Anthracite Health and Welfare Fund of the United Mine Workers, the Jefferson Medical College Hospital of Philadelphia in 1947 started a five-year project of research on silicosis. The U.M.W. Fund comes from payments by mine operators at the rate of 10¢ on each ton of coal mined under old agreements and

20¢ per ton under new contracts. After a year's research it was reported in September, 1948, that 500 miners had already received considerable relief from the disease which clogs the lungs with fibrous tissue and makes deep breathing impossible. Tuberculosis is frequently a fatal complication of silicosis. The disease is found among foundry workers, rock drillers, sand blasters and others breathing particles of sand or metal.

Harmful exposure to silicosis and also to lead poisoning can generally be controlled by dust elimination measures.

Beryllium: Certain compounds of beryllium are said to be the cause of a lung disease, first brought to public attention during World War II. Some 200 cases have occurred in the manufacture of fluorescent lamps, in the use of beryllium as a copper alloy, and in the production of neon light tubes. The Atomic Energy Commission is a large user of beryllium. The use of beryllium with copper and other metals, including stainless steel, lead and silver "should certainly be controlled until more is known about the health effects of beryllium," the Industrial Hygiene Foundation recommends.

Shaver's Disease: A rapidly developing lung disorder, first identified during the war, is now known as shaver's disease. It was found especially in the artificial abrasive industry along the Niagara River. A very fine fume escaping from electric furnaces caused the disease resulting in collapse of the lungs. Ventilators can be used to control the harmful exposure.

Radioactive Substances: "The atom has gone to work in industry," the Industrial Hygiene Foundation points out. By early spring, 1948, more than 2,000 shipments of radioactive isotopes had been sent from the Atomic Energy Commission to research centers and industries in this country. In using radioactive substances a health and safety program is a necessity.

Five American scientists were reported in December, 1948, as going blind because of radiation from atom-smashing machines. They suffered injuries to the lens of their eyes while working with cyclotrons or other atom-smashers at colleges or government experimental centers. Many men have been killed while working on atomic energy experiments but the total number of such deaths has not been reported.

Progress in Compensation and Control: By the end of 1948 there was some measure of compensation for occupational diseases in 39 states. New occupational disease laws were enacted in six states in 1947.

Mississippi enacted a workmen's compensation law in 1948. It had been the only state without such legislation.

Other unions besides the Mine Workers have recently become more active in programs for health and safety. Health and welfare funds are being increasingly sought by unions in their negotiations with management. (See Trade Union chapter.)

WORK INJURIES AND DEATHS

About 16,500 workers were killed by industrial accidents in 1948, the U. S. Department of Labor estimated. This was slightly less than the number in 1947, as shown below.

Some 90,000 men and women were permanently disabled by accidents on the job. In all, there were about 1,960,000 injured in 1948. "Based upon studies of these figures, it has been estimated that 90% of these accidents could have been prevented," the labor department said. (Labor Press Service, March 14, 1949.)

Injury frequency rates show the average number of disabling industrial injuries for each million employee-hours worked. The U. S. Bureau of Labor Statistics found that in the first nine months of 1948, manufacturing industries with the highest frequency rates were: sawmills and planing mills combined, 58.1; sawmills, 55.6; planing mills, 43.5; iron foundries, 37.9.

Industrial Injuries in 1947: The 1947 record of deaths and injuries in American industrial plants was summarized by the U. S. Department of Labor in its Labor Information Bulletin (June, 1948). It reported that 2 million were injured, 17,000 were killed, and 91,000 were permanently disabled in that year.

One worker was injured every 16 seconds of a 24-hour workday. One worker was killed or permanently crippled every 4 minutes. The number of man days of work lost totaled 44.7 million.

In Coal Mining: Accidents in the bituminous and anthracite mines of the United States killed 1,010 men in 1948, compared with 1,158 in 1947. The U. S. Bureau of Mines reported that 870 of the deaths in 1948 were in bituminous mines. The fatality rate in 1948 was 1.46 per million tons, comparing with 1.57 in 1947.

One explosion alone at the Centralia Coal Co.'s mine at Centralia, Ill., on March 25, 1947, killed 111 mine workers. Starting with the families of the 111 miners killed in this Centralia disaster, the United Mine Workers through its Welfare & Retirement Fund has sent out

death benefit payments of \$1,000 to widows and other survivors. The fund is financed by the coal companies. (See Trade Union chapter.)

Safety and Workmen's Compensation: In its report on safety and health, the 15th National Conference on Labor Legislation, held in Washington in December, 1948, recommended programs to meet the needs of high-hazard industries and of small establishments not ordinarily reached through general safety programs. More information should be made available for joint labor-management safety programs. Trade unions were well represented in the discussions.

The conference recommended that compensation for occupational accidents be extended to all industries and all employees, including state and municipal, with no exemptions of small employers or non-hazardous industries. Coverage for agricultural workers and domestic workers should be elective.

More adequate benefits should be paid, the conference urged. In fatal cases compensation should be not less than 35% for a widow without children, plus 15% for each child. Unlimited medical and hospital service should be available without cost to injured employees, under supervision that shall assure the best possible standards of treatment of injured workers. Employees should have choice of physician. Injuries should be defined to include occupational diseases.

WHITE COLLAR WORKERS

Counting all persons in white collar occupations, including clerical and kindred workers (7,050,000), salesmen and saleswomen (3,310,000), professional and semi-professional workers (3,860,000), the U. S. Bureau of the Census estimated a total of 14,220,000 in April, 1947. This census estimate showed that about 7 million women were in white collar occupations at that time.

Salaries of Office Workers: The average salary of women general stenographers in February, 1948, ranged from \$37.31 a week in Boston up to \$48.13 in San Francisco, as shown by a special study of office workers in 11 cities, made by the U. S. Bureau of Labor Statistics. In New York City, women general stenographers averaged \$43.37. The median city average, represented by Dallas, Texas, was \$40.72. The BLS survey found that the largest number of office workers were in the category described as women general stenographers.

Office girls, usually the lowest paid or next to the lowest paid group,

had average weekly salaries from \$27.51 in Dallas up to \$38.61 in San Francisco. Men were employed in office occupations to a much less extent than women, the BLS noted. Men hand bookkeepers averaged \$52.96 a week in Dallas and ranged up to \$66.78 in San Francisco, the city which showed the highest weekly salary levels.

Teachers' Salaries: Median salaries for teachers, as reported by the National Education Association for 1947, were about \$3,064 a year in cities of over 100,000 population; \$2,458 in cities 30,000 to 100,000; \$2,229 in cities 10,000 to 30,000; \$2,121 in cities 5,000 to 10,000; and \$2,044 in cities 2,500 to 5,000. A majority of the large cities are following the principle of equal pay for men and women teachers.

In a special survey of the nation's schools in 1948-49, the New York Times (Jan. 10, 1949) found that the average salary of classroom teachers in the United States was \$2,644. Average salaries in the different states ranged from \$1,287 in Mississippi up to \$3,652 in New York.

The National Education Association in a Report to the Profession issued on March 8, 1948, stated that despite increases in salaries for teachers the cost of living had eaten away the higher pay. It described an "appalling" need for more teachers. High school and college graduates are unwilling to enter the profession, mainly because of its low rate of pay. The NEA report concluded that within 10 years the nation will face a shortage of 500,000 teachers.

Comparison with Heller White Collar Budget: These salaries of professional and office workers may be compared with the budget for a white collar worker's family of four as priced by the authoritative Heller Committee at the University of California. This white collar worker's budget called for \$5,030 a year, or over \$96 a week, in 1947. By September, 1948, a yearly salary of \$5,208, or about \$102 a week, was required to maintain this modest standard of living.

WOMEN WORKERS

About 17,272,000 women workers were employed in the United States in December, 1948, the Census bureau showed in its monthly estimate of the labor force. This was about 29% of all the 59,434,000 persons who were employed. In the year 1948 as a whole the average number of women workers employed was about 650,000 more than in 1947, an unusually large increase, and a rise of nearly 1% in the proportion of women in the labor force.

In its Annual Economic Review in January, 1949, the Council of Economic Advisers noted that more women were "seeking work because of the pressure of high living costs on family budgets."

Compared with the all-time peak of 19,610,000 women employed in July, 1945, the number who had jobs in December, 1948, showed a drop of over 2.3 million. During the three years following the end of the war the number of employed women had thus declined by more than 11%.

Many women workers were down-graded in the postwar years and thus forced to accept lower wages. Seniority rights of women were not respected. About 20% of union contracts in the postwar period kept women workers on separate seniority lists.

Wages Lower Than Men's: In every industry for which separate data on women's wages are available, they earn less than men in the same industry. In its report on 25 manufacturing industries in July, 1948, the National Industrial Conference Board showed that men's weekly earnings averaged \$61.98, while women averaged only \$42.13. This is a differential of 32%.

Since women earn so much less than men during their years of working, it follows that their retirement benefits under the social security law are much less. The method of calculating old-age benefits is based on the worker's earnings over a period of years. (See under Social Security in this chapter.)

Minimum Wage Laws: By 1948, 26 states and the District of Columbia had minimum wage laws setting a floor below which women's wage rates must not fall. The 26 states are: Ariz., Ark., Calif., Colo., Conn., Ill., Kan., Ky., La., Maine, Mass., Minn., Nev., N. H., N. J., N. Y., N. Dak., Ohio, Okla., Ore., Pa., R. I., S. Dak., Utah, Wash., Wis. In the 22 other states minimum wage laws had not yet been passed by the end of 1948.

In four states (Conn., N. Y., R. I., and Mass.) the laws have been amended in recent years to include men. This means that in these four states, in the industries covered, men as well as women have a minimum wage of at least 50 cents an hour, or 10 cents more than the Fair Labor Standards Act minimum.

The hourly minimum wage set by state laws for women ranges from 45 cents in Wisconsin (covering all occupations) up to 65 cents an hour in California (covering 10 industries) and 66 cents an hour in Oregon canneries. Weekly minimums called for by the various state laws run

from \$18 in North Dakota (covering laundry, cleaning and dyeing) up to \$28 in Connecticut (covering beauty culture).

The Fair Labor Standards Act of 1938, the federal wage-hour law, applies to both men and women workers engaged in, or producing goods for, interstate commerce. But the federal law which sets a minimum of 40 cents an hour for men and women does not cover employees in retail stores, restaurants, hotels, beauty shops, offices, and other local establishments.

Cost of Living Budgets: In a number of states having minimum wage laws, the state department of labor prices a yearly budget showing the minimum requirements for an employed woman without any dependents.

In Arizona, for example, the estimated budget as of April, 1948, called for \$1,953 a year, or a little over \$37 a week. In the District of Columbia, the estimated total budget as of February, 1948, was \$1,793 a year or about \$34.50 a week. In New York state, a yearly budget is priced to show the total amount needed for adequate maintenance and protection of health of a woman living as a member of a family group. This budget as of September, 1948, called for \$2,087 a year or \$40.13 a week.

The Heller committee in California prices an annual budget for the minimum-adequate needs of a single woman worker (separate from its family budget shown above in this chapter). The employed woman's budget as of September, 1947, totaled \$2,165 including taxes and a little for savings, or about \$41.60 a week.

Equal Pay Bills: Introduced in the 80th and again in the 81st Congress, the women's equal pay bill declared "that the existence in industry of wage differentials based on sex is an inequity which constitutes an unfair wage practice."

The measure was sponsored in the 81st Congress by Rep. Helen Gahagan Douglas (D., Calif.) and Rep. Chase G. Woodhouse (D., Conn.). It would prohibit any wage differential against women who do "work of a comparable character the performance of which requires comparable skills," as an unfair wage practice.

A number of CIO unions, along with the National Women's Trade Union League, League of Women Voters, Consumers' League, and other groups testified in support of the equal pay bill at hearings in February, 1948, before a sub-committee of the House Committee on Education and Labor. The bill also has the support of the Congress of

American Women. National Association of Manufacturers' representatives testified at the hearings in opposition to the measure.

By the end of 1948, nine states (Ill., Mass., Mich., Mont., N. H., N. Y., Pa., R. I., Wash.) had enacted some form of equal pay law. These laws prohibit discrimination in the rate of pay because of sex, but do not prohibit variations in pay based on other factors.

The principle that women should receive the same pay as men for equal work was adopted in March, 1948, by the Economic and Social Council of the United Nations. Member nations were called on to implement the principle "in every way, irrespective of nationality, race, language, and religion."

National Woman's Status Bill: A measure introduced in the 80th and again in the 81st Congress, known as the National Woman's Status Bill, would set up a commission on the status of women, to be appointed by the President. The commission would survey the economic, civil, political and social position of women and the extent of discrimination based on sex.

It would also recommend legislation necessary to end such sex discrimination and urge the states to take similar action regarding their own laws.

The National Women's Trade Union League together with representatives of some 40 other organizations drafted the proposal. Testifying in support of the measure at hearings before a House judiciary subcommittee in March, 1948, were spokesmen of the AFL, CIO, U. S. Women's Bureau, and other groups. They made clear the difference between this woman's status bill and the so-called "equal rights amendment" of the National Woman's Party. The latter measure, they pointed out, would tear down many good laws which women have sought and obtained during a century of progress.

CHILD LABOR

At the end of 1948 there were 2,301,000 boys and girls 14 to 17 years old employed in the United States. The Census labor force survey of October, 1948, showed that 717,000 of these young workers were 14 and 15, while 1,584,000 were 16 and 17 years old.

The number of minors employed at the end of 1948 was more than twice the number employed in 1940, the U. S. Department of Labor reported. "With the pressures on the labor market caused by the expanding defense program, abnormal numbers of minors are likely to

continue in the labor force." (Monthly Labor Review, December, 1948.)

Analyzing these figures, the National Child Labor Committee in its 1948 annual report, *Child Labor After 10 Years of Federal Regulation*, showed that the number of child workers in October, 1948, was larger than in October, 1947. About 772,000 or more than half of all the child workers employed in October, 1947 (latest detailed study available), were in agriculture. The Census of 1949 showed that among children under 16, by far the largest number at work and out of school were living in rural areas.

Conditions of Employment: When employment of school-age children is at a high peak and there is such demand for them in the labor market, that is the time when violations of laws are most numerous. The 40-hour workweek is by no means universal, as yet, in the United States and many of the industries in which children engage, such as restaurants and places of amusement, are the types in which long hours and night work are most frequently found.

The U. S. Labor Department's wage-hour division reported early in 1949 that children under 12 were working in a starch factory 12 hours a day, from six in the morning until six at night. In a cement plant youngsters under 16 were putting in a 13-hour day. In canning and packing plants, sawmills and planing mills, laundries and dry cleaning plants, from 50% to 75% of the labor was found to be under age.

"In establishments inspected," the Department of Labor reported, "the percentage of minors under 18 employed in violation of the child-labor provisions has actually increased since the war." (Monthly Labor Review, December, 1948.) In the one year to June 30, 1948, it found that of 26,678 minors under 18 employed in 29,000 establishments over 17% were illegally employed. Violations were especially frequent in canneries and in sawmills, planing mills and plywood mills.

The Fair Labor Standards Act in effect since 1938 has marked weaknesses, in the opinion of the National Child Labor Committee. The child labor provisions prohibit shipment of goods by establishments engaged in interstate commerce if they have employed children within 30 days before shipment. But in many factories shipment of goods does not immediately follow the production, and employers can thus evade the law.

Children employed by Western Union and similar establishments are not covered by the child labor provisions of the federal law, the U. S. Supreme Court has ruled, because the concern does not actually produce

and ship goods. This permits employment of children as messengers unless there is a state law against it.

Agriculture also is not covered under the child labor provisions of the Fair Labor Standards Act. Children working while not legally required to attend school are specifically exempted.

In Hazardous Occupations: The U. S. Secretary of Labor has authority under the Fair Labor Standards Act to declare occupations hazardous for minors of 16 and 17 years old and to forbid their employment on such jobs. A new order of this type was issued, effective February 2, 1948, forbidding employment of minors under 18 on most jobs in the logging of pulpwood.

Metal-working machines are particularly dangerous for young workers. Latest investigations have disclosed that minors under 18 in manufacturing industries have an injury frequency rate 46% higher than the rate for older workers. (See *The American Child*, December, 1948.) The child labor committee urges that an 18-year age limit be established for work on dangerous metal-working machines.

State Laws: During the past three years, five additional states have established a minimum age of 16 years for employment during school hours, making a total of 19 states in all. This is double the number that had 16-year laws in 1938.

The 19 states in order of enactment are: Ohio, Utah, Wisconsin, Connecticut, New York, Pennsylvania, Rhode Island, North Carolina, South Carolina, Massachusetts, West Virginia, New Jersey, Louisiana, Illinois, Georgia, Alabama, Virginia, Kentucky, Tennessee.

The National Child Labor Committee urges that the laws of all states be brought up to the standards of the federal act in order to cover children working in industries not reached through federal legislation.

IV. THE STRUGGLE FOR CIVIL RIGHTS

The basic principle of this country as embodied in the Bill of Rights of the U. S. Constitution was violated during 1947-1948 as never before in the past 150 years of its history. That principle was restated by the U. S. Supreme Court in the West Virginia Board of Education versus Barnette decision, as follows:

"If there is any fixed star in our constitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion, or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception, they do not now occur to us." (June 14, 1943, 319 U. S. 624,641.)

UN-AMERICAN COMMITTEE

The House Committee on Un-American Activities, generally known as the un-American committee, was granted in February, 1949, a further appropriation of \$200,000 to continue its un-American activities for another year. In its ten years' existence it had already spent \$1,050,000 to smear the names of reputable men and women. It had created a giant blacklist of trade union leaders, professors, teachers, scientists, clergymen, physicians, artists, screenwriters, novelists, radio news commentators and others, many of whom were dismissed from their positions because of this committee's statements about them. In the 81st Congress, the committee still includes a number of the same anti-labor Congressmen who were on the previous committee.

The un-American committee was responsible for the death of a former Assistant Secretary of the Treasury, Harry Dexter White, on August 16, 1948. The heart attack which took his life was attributed by his family and his personal physician to the strain of his long grilling by the chairman of the committee, who refused White's request for consideration of his weakened condition.

Thomas Indicted: The committee's chairman in the 80th Congress was Rep. J. Parnell Thomas (R., N.J.), of Allendale, N. J. He was indicted by a federal grand jury in Washington, D. C. on November 8, 1948, on charges of conspiracy to defraud the government and of filing false claims against it. Thomas had padded the government payroll

with the names of three persons who did no work whatsoever for the government, the charges showed. He was accused of entering false payroll claims of over \$800 for services, never given, by a woman as a clerk-typist for the un-American committee. If convicted on these charges Thomas could be imprisoned for 32 years and fined up to \$40,000. Despite his indictment for fraud, Thomas was continued in the 81st Congress and selected by Republicans to continue on the Un-American committee.

One reason why the un-American committee has never investigated the fascist-like activities of the Ku Klux Klan is that Thomas himself joined the Klan in Paterson, N. J., in 1925, reliable reports indicate. Stetson Kennedy, authority on the Klan, has several times offered Thomas "trunkloads of documentary evidence of the KKK's un-American activities," but Thomas has always refused to accept them. (Federated Press, October 22, 1948.)

Attacking Trade Unions: The anti-labor policy of the un-American committee flows naturally from the opinions of its members. The nine members of the committee in June, 1947, cast nine solid votes for enactment of the Taft-Hartley anti-labor law. Indeed, "it was generally recognized that the un-American Activities Committee had done much to bring about this unprecedentedly harsh anti-labor legislation," writes Albert Kahn in his pamphlet, *Treason in Congress: The Record of the Un-American Activities Committee*.

On practically every other important issue affecting labor in the 80th Congress, the nine members of the un-American committee voted consistently against labor.

In a pamphlet entitled *100 Things You Should Know About Communism and Labor*, the un-American committee attacked 20 CIO unions and many leaders of those unions.

Following the precedent set by its former chairman, Martin Dies, the committee has injected itself into a labor situation when the union involved was engaged in some special struggle. For example, the Food, Tobacco, Agricultural & Allied Workers (CIO), Local 22, was leading a strike for a wage increase in July, 1947, against the powerful R. J. Reynolds Tobacco Co. at Winston-Salem, N. C. In the midst of the strike, the un-American committee summoned union leaders and stool-pigeons to hearings. The committee arranged to have the company stooges pin a Communist label on 16 members of the local's executive board. Within a week the committee got banner headlines in the only

local newspaper in Winston-Salem, controlled by the Reynolds company, shouting the story of the investigations of the "red" leadership of the union.

When the Electrical Workers (CIO) was affected by the splitting tactics and secession of its Bridgeport (Conn.) local the un-American committee announced, June 12, 1947, that it would probe unions and would begin with the UE. The committee summoned the secession leaders to testify on the "reds" in the national union in an effort to weaken its bargaining power.

The committee's actions against Hollywood writers and its questions about their membership in the Screen Writers Guild are described below among the cases of those indicted for contempt of the committee.

In its red-baiting attacks the committee provided a convenient blacklist for employers by labelling as "Communist-dominated" (in 1944) the following CIO unions: Longshoremens; Electrical Workers; American Communications Association; Fur & Leather Workers; Fishermen's Union; Mine, Mill & Smelter Workers; Woodworkers; Marine Cooks & Stewards; National Maritime Union; United Cannery & Agricultural Workers (now FTA); Farm Equipment; Office & Professional Workers; Packinghouse Workers; Shoe Workers; Stone Workers, and Federation of Architects, Engineers, Chemists & Technicians.

All of these unions have been engaged during recent years in negotiations with employers in special efforts to win higher wages and better conditions for their members. By its red-baiting tactics the un-American committee came to the aid of the companies in their attempts to weaken and destroy the collective bargaining power of these unions.

Condon Case: "If anything more were needed to discredit the procedure of the House Committee on un-American Activities the case of Dr. Edward U. Condon, head of the National Bureau of Standards, has done it," said a New York Times editorial (March 5, 1948). This referred to the committee's smearing of Dr. Condon on March 1, 1948, when it denounced the distinguished atomic scientist as "one of the weakest links in our atomic security."

The Department of Commerce through its own loyalty board had, in fact, examined the supposed "derogatory information" and had found "no reasonable grounds for believing that Dr. Condon is disloyal to the government of the United States." Secretary of Commerce Harriman, with the advice of the Attorney General, refused to turn over to the House the files of his department board. Dr. Condon asked for an

investigation but the committee never granted him a hearing on his case. He was continued as director of the National Bureau of Standards.

The Thomas Committee's methods in this case stirred nationwide protests. The Committee of 1,000, set up to fight the Thomas group, urged its abolition. Another protest against the un-American committee's methods in the Condon case was signed by 45 professors in 27 law schools in the United States. In a survey conducted by the Columbia University Bureau of Applied Social Research it was noted that the House committee "brought and prosecuted its charges against Dr. Condon exclusively through the medium of the press."

Abolition Urged: At its 1948 convention the CIO urged the abolition of the un-American Committee. It said:

"The infamous Thomas-Rankin House un-American Activities Committee has demonstrated its complete disregard for the constitutional rights of minorities with whose ideas it disagrees. As in the past it continues to slander minority groups in our society and engage in witch-hunts in order to stir up hysteria, to use its authority for anti-labor purposes and, as in the past, it continues to function as a kangaroo court denying to accused persons the right to be informed of the charges against them or the opportunity to answer such charges."

The Committee of 1,000 through its chairman, J. Raymond Walsh, made public on January 3, 1949, an open letter to the 81st Congress asking immediate abolition of the un-American committee. The letter, signed by 313 educators, writers, scientists, clergymen, and others, included the following denunciation of the Thomas group: "A committee that examines citizens for the books they may read and the friendships they may contract, or that seeks to probe their religious, political, or philosophical beliefs, is utterly unworthy of our great United States Congress."

The Civil Rights Congress has taken the lead in the campaign against the un-American committee to prevent the citation of its victims for contempt and in the defense of those so cited. Such resistance has delayed the whole fascist-like program of the Thomas-Rankin committee.

CONTEMPT CASES

Hollywood Ten: On October 18, 1947, a group of nine leading screen writers and a director of Hollywood were summoned before the un-American Committee. For refusing to answer questions about their political beliefs or their membership in the Screen Writers Guild, they

were cited for "contempt" of the committee. Congress then voted to indict the ten. On December 5, 1947, a special federal grand jury in Washington indicted all 10 men for "contempt of Congress."

The 10 thus indicted were: Alvah Bessie, author of *Objective Burma* and other screen plays; Herbert Biberman, director and screen writer who came to Hollywood under contract to Columbia Pictures; Lester Cole, co-author of *Objective Burma* and author of other wartime hits; Edward Dmytryk, director of *Crossfire* and of a score of other movies; Ring Lardner, Jr., author of *Woman of the Year*, *Tomorrow the World*, and other screen plays; John Howard Lawson, author of such films as *Blockade*, *Sahara* and *Smashup*; Albert Maltz, author of many screenplays including *Destination Tokyo*, *Naked City*; Samuel Ornitz, author of *Three Faces West* and other screen plays; Adrian Scott, producer of *Crossfire* and other films, also an author; and Dalton Trumbo, author of the wartime hit, *Thirty Seconds Over Tokyo* and of more than a dozen other movies.

The big moving picture companies employing these men dismissed them in December, 1947, and blacklisted them—thus bowing to the un-American Committee's censorship over the movie industry.

On May 21, 1948, Trumbo was sentenced by Federal Judge David A. Pine to a year in jail and a \$1,000 fine. Lawson on the same day received the same sentence from Federal Judge Edward M. Curran. Their cases were appealed to the higher courts and the other eight cases depend on the outcome of their appeal. On November 8, 1948, the U. S. Supreme Court refused to expedite Lawson's appeal which then went to the Appellate Court for the District of Columbia.

One of the defendants, Lester Cole, won his suit against Metro-Goldwyn-Mayer Studios when a federal district court jury in Los Angeles on December 17, 1948, ordered his reinstatement in his screen-writing job. M-G-M then appealed the Cole case. Cole's suit was the first of five other similar suits to come to trial. The damages claimed in these suits total some \$70 million.

The Committee for the First Amendment, formed in October, 1947, in support of the Hollywood Ten, represented the broadest cross-section of Hollywood directors, actors, writers, publicists and technicians, and many national leaders in the fields of literature, the theater, education, politics and science. (See *Hollywood on Trial*, by Gordon Kahn, p. 138.)

The Screen Writers Guild and the Screen Directors Guild in October, 1947, said in a resolution: "As Americans, devoted to our country and

the Constitution, which is its spiritual shape and form, we hereby resolve to defend the reputation of the industry in which we work against attack by the House Committee on un-American Activities, whose chosen weapon is the cowardly one of inference and whose apparent aim is to silence opposition to their extremist views, in the free medium of motion pictures."

Anti-Fascist Refugee Committee: Dr. Edward K. Barsky, chairman of the Joint Anti-Fascist Refugee Committee, and 10 members of its national board were convicted, June 27, 1947, of contempt of Congress. The case of Helen R. Bryan, as executive secretary of the committee, was separated from the others. All of these 12 had refused to turn over to the un-American committee the names of JAFRC contributors or of the Spanish Republicans in exile whose families in Spain would then be in danger of death under the fascist dictator, Francisco Franco. Five of the 16 board members originally cited for contempt had resigned from the board before the trial, were convicted, but "purged" themselves of contempt, and then received suspended sentences.

Dr. Barsky was sentenced on July 16, 1947, to a \$500 fine and six months in jail; each of the others on the same day to a \$300 fine and three months in jail. In addition to the chairman, the ten convicted were: Howard Fast, Prof. Lyman R. Bradley, Dr. Jacob Auslander, Dr. Louis Miller, Harry N. Justiz, Mrs. Ruth Leider, James Lustig, Manual Magana, Mrs. Marjorie Chodorov, and Mrs. Charlotte Stern. Dr. Bradley was immediately suspended from his post as chairman of the German department at New York University, and in June, 1948, was suspended indefinitely from the university's faculty.

Helen R. Bryan was tried, April 7, 1948, convicted, and sentenced on April 28 to a \$500 fine and three months in jail. On the same day, Mrs. Ernestina Gonzalez Fleischman, a JAFRC Board member, received a similar sentence.

The U. S. Supreme Court, June 14, 1948, refused to hear appeals by the 11 anti-fascists against their conviction for contempt of Congress. The defendants then petitioned the high court for a rehearing of their case but up to March, 1949, had received no further word.

Proud of their work on behalf of Spanish refugees, the 11 on June 15, 1948, issued a statement, saying: "The prison sentences are a small price to pay for the privilege of doing such work. . . But we are not proud of the contemptible men, who out of love for Franco and his butchery and hatred of all things democratic, have railroaded us to prison."

Eisler Case: Gerhart Eisler, Austrian-born writer, was convicted of contempt of Congress for refusal to be sworn to testify in February, 1947, before the House un-American committee. He had said he was willing to testify after reading a three-minute statement. He was tried in the U. S. District Court at Washington in June, 1947, convicted and sentenced to a year in jail and fined \$1,000. Appealing to the U. S. Supreme Court, he challenged the constitutionality of the un-American committee.

The Supreme Court on March 28, 1949, heard Eisler's appeal from conviction, and took the case under consideration.

Eisler's appeal to the U. S. Court of Appeals in Washington had resulted on June 14, 1948, in a 2 to 1 decision against him. Judge E. Barrett Prettyman in a dissenting opinion held that Eisler's conviction should be reversed on the ground that Judge Alexander Holtzoff was prejudiced and should have been disqualified in the June, 1947, trial.

Eisler has wished to leave the United States ever since 1941 when he was en route to Mexico but detained here. Despite his desire to leave and return to his home in Germany, the U. S. Department of Justice initiated deportation proceedings against him. (See below.)

Josephson Case: Leon Josephson, a Communist and anti-fascist lawyer, was the first victim of the House un-American committee's contempt cases to go to prison. He was sentenced by a federal district court in October, 1947, to a year in jail and a fine of \$1,000, the maximum penalty, for refusing to testify in March, 1947, before a sub-committee of the un-American committee. He started serving sentence on March 18, 1948, and was released January 16, 1949—two months early for good behavior.

He was confined in the federal penitentiary at Milan, Michigan, too far away for his wife, who lived in New York City, to visit him.

Josephson was defended by the Civil Rights Congress which appealed his case to the U. S. Circuit Court of Appeals in New York. His conviction was sustained by that court on December 9, 1947, in a 2 to 1 decision. The U. S. Supreme Court on February 16, 1948, voted 6 to 3 against reviewing Josephson's case. Voting in the minority to grant a review were Justices Frank Murphy, Wiley B. Rutledge, Jr., and William O. Douglas.

In the Circuit Court decision Judge Charles E. Clark, renowned for his studies in constitutional law, presented a dissenting opinion which

provides a sober statement against the un-American committee and its methods as follows:

"The teaching of experience, after nearly three decades of a well-nigh pathological fear of 'Communism', under constant investigation by Congress, might suggest that there was more to be feared from the fear itself than from the supposed danger. . .

"No more extensive search into the hearts and minds of private citizens can be thought of or expected than that we have before us. If this is legally permissible, it can be asserted dogmatically that investigation of private opinion is not really prohibited under the Bill of Rights. In other words, there will then have been discovered a blank spot in the protective covering of that venerated document. . .

"All attempts to explain the meaning of the key word 'un-American', either on the original creation of the committee or on its later renewals, have been avoided or opposed. . .

"The committee announces its desire that the persons it finds guilty shall forfeit their jobs in public and private industry and shall be subject to prosecution for any collateral crimes which may have been disclosed, and generally shall be exposed pitilessly to public condemnation. There can be no doubt of the obvious and direct abridgement of the right freely to speak and express one's opinions which is thus achieved."

Judge Clark's dissenting opinion in this case was buttressed with precedents from prior court decisions.

Other Cases: In addition to the cases described above, a number of other persons have been indicted, convicted and sentenced for contempt of the House un-American committee. They were found "guilty" simply because they declined to answer questions in the committee's star-chamber inquisition and refused to deliver the names of their organizations' supporters to feed the committee's blacklist.

Richard Morford, executive director of the National Council of American-Soviet Friendship and a Presbyterian minister, was sentenced by Federal Judge Edward M. Curran in Washington, D. C., on April 30, 1948, to serve three months in jail and pay a \$250 fine. He had refused on March 6, 1946, to give the committee the files and records of his organization and a list of the contributors.

George Marshall, chairman of the Civil Rights Congress, was sentenced by Federal Judge Richmond B. Keech in Washington, D. C., on May 17, 1948, to three months imprisonment and a \$500 fine for contempt of the un-American committee. He had refused in 1946 to

surrender to the committee the records and contributor lists of the National Federation for Constitutional Liberties of which he was then chairman. His case, like the other contempt cases, challenged the constitutionality of the un-American committee.

When his trial began on April 15, 1948, the Civil Rights Congress stated: "His consistent exposure of the anti-Negro, anti-Semitic and anti-foreign born attitude of the un-American activities committee is the chief reason behind the committee's effort to get Marshall." His conviction clearly violated the Bill of Rights, the defense argued in appealing the case to the higher courts.

Eugene Dennis, general secretary of the Communist Party, was convicted of contempt of Congress in June, 1947, and sentenced in the U. S. District Court in Washington, D. C., to a year in jail and a fine of \$1,000. Released on the excessive bail of \$10,000, he appealed to the U. S. Circuit Court of Appeals. That court on October 12, 1948, upheld his conviction.

Defense attorneys argued that the un-American committee was not legally a Congressional group at all because it included John E. Rankin. They pointed out that Rankin was not a bona fide member of Congress because he had been elected under Mississippi's unconstitutional white supremacy and poll-tax laws. Dennis' case was appealed to the U. S. Supreme Court in November, 1948, on the ground that his conviction violated the 1st and 14th amendments to the U. S. Constitution. Dennis is also one of the 12 Communist Party leaders who are defendants in the case against the Communist Party. (See below.)

Many Contempt Cases Dropped: Following the presidential election of November 2, 1948, when so many reactionary Congressmen were defeated, the un-American committee and the House labor committee found it advisable not to certify for contempt of Congress some 40 witnesses who had refused to answer questions as to their political beliefs.

Staff members of the two committees said it was uncertain whether a contempt citation voted by the 81st Congress against witnesses who testified during the 80th Congress would be valid. Attorneys in the Department of Justice had advised the committees that it would be difficult to get conviction.

Witnesses mentioned, as those against whom charges would not be pressed, included a number of officials of the Electrical Workers (CIO), Fur & Leather Workers (CIO), and members of the New York Teachers local of the Public Workers (CIO). They also included Steve Nelson,

Pittsburgh Communist leader, and others recently called before the un-American committee. The plan to drop these cases did not affect any of the contempt cases, described above, in which the victims had already been convicted.

CONTEMPT OF GRAND JURY CASES

Because they refused to answer questions about the Communist Party or to reveal names of Communists, a number of men and women in Denver, Colo., during the closing months of 1948 and the early part of 1949, were sentenced to jail for contempt of a federal grand jury. The defendants had claimed their constitutional rights under the 1st Amendment and also under the 5th amendment, not to answer questions that might tend to incriminate them.

Judge J. Foster Symes of the federal district court immediately rushed the defendants to jail and denied them bail until required by U. S. Supreme Court Justice Wiley Rutledge to grant their petition for bail pending appeal. Those sentenced on September 23, 1948, were: Mrs. Jane Rogers (mother of three small children) and Nancy Wertheimer, to four months each; Irving Blau to six months. All three were held in prison without bail until October 30, 1948.

Two others, Arthur Bary and Paul M. Kleinbord, were sentenced to jail, October 12, for an indefinite period of time or "until they talked." They were released on bail, however, November 4. Tracy Rogers, Colorado Communist Party leader and trade unionist, December 6, 1948, was also given an indeterminate jail sentence. Mrs. Irving Blau, mother of two children and the seventh victim of the Denver inquisition, was sentenced by the same Judge Symes, January 4, 1949, to one year in prison, refused a jury trial, but granted bail as a result of the nationwide protests in the previous cases. All seven cases were appealed to the Circuit Court of Appeals.

Los Angeles Case: In a similar case in Los Angeles, Calif., 16 men and women were arrested for refusal to answer a federal grand jury's questions on their political opinions and associates. The case started October 25, 1948, when six men and four women were routed from their beds in the early morning, rushed to the grand jury and shuttled about for 15 hours.

All ten were charged with "civil contempt" and sentenced that night by Judge Pierson M. Hall "to indefinite commitment to federal jail without bail until you answer those questions." Four of the six men

were World War II veterans, one with the Distinguished Flying Cross. Two of the women were mothers whose children needed them. They were jailed and not released on bail until November 3 when they were immediately served with new subpoenas. Judge William Denman of the 9th Federal Circuit Court on November 1 ordered that the ten should be freed on bail since the case was subject to appeal. On March 14, 1949, however, the Circuit Court by a vote of 3 to 3 upheld the conviction of the ten. Nine of them were then sent to prison. Such cases are part of the general drive of the federal Department of Justice against what it has termed "subversive organizations."

LOYALTY TESTS AND PURGES

On March 21, 1947, President Truman issued the so-called Federal Loyalty Order (Executive order no. 9835), prescribing procedures for a test of federal employees' "loyalty" and a purge of those labelled "disloyal". To carry out the loyalty purge program, effective October 1, 1947, Congress appropriated \$11 million for the first fiscal year. Of this amount, \$7.5 million was for the Federal Bureau of Investigation to check employees on the federal payroll and \$3.5 million was for the Civil Service Commission to investigate new applicants. For the second fiscal year (to June 30, 1949) the appropriation totalled \$6,606,000.

By the end of March, 1949, the FBI had conducted full field investigations of 7,995 federal employees. These represented 3/10 of 1% of the 2,387,252 whose loyalty had been investigated. In the face of the government's inquisition, 501 persons resigned while being investigated and 69 others were fired after unfavorable reports on their loyalty had been made to their agencies by the FBI. Those who are accused may appeal to a Loyalty Review Board, but are not allowed to confront their accusers. In 16 cases, panels of the review board cleared the employee, reversing the lower board. Many cases were still pending in April, 1949.

Attorney General's Blacklist: To aid in carrying out Truman's loyalty purge, Attorney General Clark on December 5, 1947, issued his first blacklist of 90 so-called "totalitarian, fascist, Communist, or subversive" organizations. (A few of them were Nazi or Japanese propaganda groups which had been destroyed during World War II.) His list was based primarily on the un-American committee's blacklist. Membership in any one of these 90 groups was considered derogatory and used as evidence against the employee's loyalty. On May 28, 1948, the Attorney General added to his blacklist the names of 32 other organizations

including Slav groups and other minorities promoting relief activities for eastern European countries.

Despite repeated requests from organizations blacklisted, the Attorney General has never furnished to any one of them any of the particulars on which he based his conclusions nor has he ever given any one of them a hearing at which it could refute his unfounded charges. His blacklist included even the International Workers Order, a mutual benefit and insurance society in which thousands of workers hold their life insurance.

One of the organizations blacklisted was the National Council for American Soviet Friendship, Inc. Its leading officers and directors (Rev. William Howard Melish, Rev. Richard Morford, Prof. Henry Pratt Fairchild, Dr. John A. Kingsbury, W. Walter Pesman, of the Denver Council of American Soviet Friendship, and Dr. Corliss Lamont) in mid-1948 entered suit against Attorney General Clark and the Loyalty Review Board. The suit was brought to require the Attorney General to strike the name of the National Council from his list and to enjoin the loyalty Review Board from publicizing and using the designation. It also sought a declaration that such designation was "unconstitutional and otherwise illegal". A similar suit brought against the Attorney General by the Joint Anti-Fascist Refugee Committee has been appealed to the higher courts.

The Defense Department in checking the loyalty of draftees has used the Attorney General's list but with startling deletions. The Ku Klux Klan and 39 other rightist groups have been eliminated in the Defense Department's tests.

Eminent legal authorities have charged that the loyalty purge and the Attorney General's blacklist are unprecedented in this country and contrary to all American traditions. The Yale Law Journal, in a 143-page report in January, 1949, declared that the loyalty check was not only unnecessary but was making the federal government an example of repression for the whole nation.

Prof. Thomas I. Emerson of the Yale University Law School and David M. Helfeld, graduate fellow, authors of the report, maintained that existing legislation and administrative regulation gave adequate protection against such actions of public employees as might be dangerous to the government. They charged the FBI was "moving dangerously" toward developing into "a grave and ruthless menace to democratic processes." The program places "a veto power in the hands of the FBI", they said.

The National Lawyers Guild sponsored a report in mid-1948 charging that the Attorney General's blacklist is unconstitutional and illegal. It said: "The Attorney General possesses no constitutional or statutory authority to designate and publish a list of 'subversive' organizations . . . There is no authority for any official to declare what are good or bad ideas, good or bad associations."

Even if the President had authority to delegate such power, the report continues, the absence of clear standards and of reasonable procedures renders the delegation unconstitutional. Publication of the list violates the constitutional rights of organizations and their members and is a threat to the freedom of organization and assembly, guaranteed by the Constitution. Use of the list by the Loyalty Review Board as "evidence of disloyalty" involves application of the unconstitutional doctrine of "guilt by association." The U. S. Supreme Court has condemned that doctrine in toto. (See the Guild Lawyer, Summer, 1948, and Lawyers Guild Review, March-April, 1947.)

Marzani Case: Carl Aldo Marzani, former employee in the U. S. State Department, was indicted in a Washington (D. C.) District Court in January, 1947. He was charged with having falsely denied during a loyalty investigation (in 1942 and 1943) that he had been a member of the Communist Party in 1940-41. He was convicted and sentenced to one to three years in jail. There were 11 counts against him, all revolving around his alleged activities as a Communist organizer in New York under the name of "Tony Whales." He had already been cleared in 1943 of the same charges on which he was convicted in 1947.

Only witnesses against Marzani were a New York police spy, who admitted he acted as an agent provocateur; a confessed perjurer; and an ex-Communist. Earlier evidence of the police spy was not found credible in 1943 when the FBI and the Civil Service Commission cleared Marzani. On appeal the Circuit Court early in 1948 ruled out the first nine counts, holding that Marzani's earlier statements in 1942-43 could not be held against him in 1947. The other two counts were based on oral, unsworn statements made in an informal talk with a State Department official.

The U. S. Supreme Court, December 20, 1948, by a vote of four to four sustained the lower court conviction. Justice William O. Douglas did not participate in the decision. The Supreme Court granted a rehearing, but on March 7, 1949, again by a four to four vote, it upheld the conviction of Marzani, who was sent to prison on March 25, 1949.

TRIAL OF 12 COMMUNIST LEADERS

Twelve Communist leaders, members of the national committee of the Communist Party of the United States, were indicted by a federal grand jury on July 20, 1948, for an alleged "conspiracy". They were arrested by Federal Bureau of Investigation agents, released on bail of \$5,000 each, and their trial began in January, 1949. If convicted, each defendant could be imprisoned for 10 years or fined \$10,000 or both.

The twelve are: William Z. Foster, Eugene Dennis, John B. Williamson, Jacob Stachel, Robert G. Thompson, Benjamin J. Davis, Jr., Henry Winston, John Gates, Irving Potash, Gilbert Green, Carl Winter, and Gus Hall. Indictments charged that:

"The defendants herein, unlawfully, wilfully and knowingly, did conspire with each other, and with divers other persons to the Grand Jurors unknown, to organize as the Communist Party of the United States of America a society, group, and assembly of persons who teach and advocate the overthrow and destruction of the Government of the United States by force and violence, and knowingly and wilfully to advocate and teach the duty and necessity of overthrowing and destroying the Government of the United States by force and violence, which said acts are prohibited by Section 2 of the Act of June 28, 1940 (Section 10, Title 18, United States Code), commonly known as the Smith Act."

The grand jury further stated that the defendants organized a national convention on or about July 26, 1945, to dissolve the Communist Political Association and organize the Communist Party of the U. S. Charges continued: "It was further a part of said conspiracy that said defendants would publish and circulate, and cause to be published and circulated, books, articles, magazines and newspapers advocating the principles of Marxism-Leninism." They were also charged with conducting schools and classes for the same purpose.

Each one of the 12 was also individually charged with being a member of the Communist Party, "well-knowing" that it was organized to "teach and advocate" the violent overthrow of the government.

No Overt Acts: Contrary to many false statements in the general press, it was clear that the indictments did not charge overt acts. They did not charge the Communist Party or the 12 with a single act of force and violence. The indictments charged the 12 with organizing a party (Communist Party) based on the philosophy and economic theories of Marx and Lenin which the government claims advocate "force and violence."

In charging that the defendants would publish and circulate Marxist literature, the indictments did not mention the fact that Marxist books, pamphlets, magazines and newspapers have been published and distributed in this country for exactly 100 years, since 1849. The first Communist Club in the United States was established in 1858. The American Communist Party was first organized in 1919.

No "Force and Violence": In the Schneiderman case in 1943, the U. S. Supreme Court examined the charge of "force and violence" and the writings of Marx and Lenin. It stated that the Communist Party "desired to achieve its purpose by peaceful and democratic means, and as a theoretical matter justified the use of force and violence only as a method of preventing an attempted forceable counter-overthrow once the Party had obtained control in a peaceful manner, or as a method of last resort to enforce the majority will if at some indefinite time in the future, because of peculiar circumstances, constitutional or peaceful channels were no longer open."

The Constitution of the Communist Party, Art. IX, sec. 2, reads: "Adherence to or participation in the activities of any clique, group, circle, faction or party which conspires or acts to subvert, undermine, weaken, or overthrow any or all institutions of American democracy, whereby the majority of the American people can maintain their right to determine their destiny in any degree, shall be punished by immediate expulsion."

Attorney General Tom C. Clark, who was directly responsible for the grand jury's indictment of Communist leaders, had stated before the House un-American committee in April, 1948, that no evidence existed to warrant prosecution of Communist leaders or the Communist Party for "advocating forcible overthrow of the government".

Jury System Challenged: The history-making "thought" trial of Communist leaders started in Federal Court in New York City on January 17, 1949. Because of serious illness, William Z. Foster was unable to stand trial but Judge Harold R. Medina rejected all defense motions for postponement.

Attorneys for the defense included George W. Crockett, Negro member of the Michigan Bar Association, Richard Gladstein of California, A. J. Isserman of New York, Louis F. McCabe of Philadelphia, Harry Sacher of New York, Maurice Sugar of Michigan.

A petition on behalf of the defendants to void the indictments had been presented to the U. S. Supreme Court which refused to hear

argument on the issue. The petition argued that the petitioners were indicted by a grand jury and faced trial before a petit jury operated under a discriminatory system. It is a system, the defense charged, "whereby the rich and propertied and well-to-do are deliberately, purposefully and systematically included". But "other classes and groups, including the unemployed, the economically depressed, manual workers, persons who work by the day or hour, Negroes and members of other racial and national minorities, and members of minority political parties, are deliberately, purposefully and systematically excluded."

An analysis of jury lists in the southern district of New York over a period of nine years, the petition showed, revealed that 45% of the jury panels were executives, although they represented only 9% of the population. Professionals or semi-professionals represented 20% of the panels but only 11% of the population. Clerical and sales employees, largely drawn from a few big corporations, made up 30% of the panels but only 25% of the population. But manual workers made up only 5% of the panels, although they were 55% of the population.

Juries were loaded with persons who resided in the most exclusive neighborhoods, the verified petition indicated. The 17th "silk-stocking" Congressional district in Manhattan supplied 56% of the members of six panels studied but less than 20% of the vote in Manhattan alone in the 1948 elections. Only 10.2% of the panels came from the 18th, 19th, 22nd, 23rd and 24th Congressional districts which accounted for 42% of the vote from both Manhattan and the Bronx. These districts are made up mostly of working class people, Negroes, Jews, citizens of Italian descent, and Puerto Ricans.

Of the 23 persons on the grand jury which indicted the Communist leaders in July, 1948, the petition showed that 11 were executives, three were professionals, seven were clerical and sales persons, one was a housewife, one was "retired". No manual workers were represented, although the defendants all had a working class background.

The Bill of Rights in article VI of the U. S. Constitution guarantees to the accused the right of trial "by an impartial jury." But the U. S. Supreme Court on January 10, 1949, refused to act on the defendants' petition charging discrimination in selection of jurors.

Prof. Doxey Wilkerson, Negro educator formerly on the faculty of Howard University, was on the witness stand for two weeks to explain maps, charts, and documents showing the discrimination in selection of jury panels. He was subjected to insults from Judge Medina who dis-

played prejudice against the defendants, their attorneys and their witnesses throughout the trial.

One jury clerk on the witness stand admitted that in making up the jury lists he had used special sources such as Poor's Directory of Directors, Who's Who in New York, the Social Register, and various college and university alumni directories. He had also used the subscription edition of the New York City telephone directory, arranged by street numbers and location, which enables the clerk to pick out the names of those living in higher-class residential neighborhoods. These were the special sources recommended by Senior Judge John C. Knox. The jury clerk admitted that in 1947 and 1948 he had sent no jury qualification notices to persons on the voting lists in six Harlem (Negro) and lower East Side (Jewish and low-income) districts.

"Knox System" of Jury Picking: On the floor of the U. S. Senate, Sen. William Langer (R., N. Dak.) on January 24, 1949, exposed the system of jury-rigging in New York. He showed that the system had been introduced some nine years before by Federal Judge John C. Knox, senior judge of the U. S. District Court for the southern district of New York. It was described in a memorandum on January 2, 1941, by Leland Tolman of the Office of the U. S. Courts. Copies of it were sent out by Director Henry P. Chandler on February 5, 1941, to all U. S. Circuit and District judges. Sen. Langer held a copy in his hand while he spoke against the system which he classified as "class and racial justice."

Judge Knox had defended the system in June, 1945, before the House judiciary committee. He said: "I am told from time to time that the selection of jurors should be a democratic process and that persons who serve in the U. S. District Court for the southern district of New York are hand-picked.

"In answer to this indictment, I cannot do otherwise than admit my guilt. Nevertheless, unless restrained by an authority to which I must yield, jurors in my district will continue to be hand-picked, and it will be done with care." Speaking in Uniontown, Pa., on January 22, 1949, Judge Knox again defended the "Knox system" of hand-picking jurors.

DEPORTATION AND FOREIGN-BORN CASES

During 1949 the Justice Department initiated a many-sided attack on the constitutional and democratic rights of foreign-born Americans. This attack was directed along the following general lines: deportation, bail,

naturalization, citizenship. In addition, the Justice Department sought the enactment of certain legislation which would have deprived the foreign-born of their rights. The American Committee for Protection of Foreign Born served in the forefront of the fight against deportation and for the defense of the rights of foreign-born Americans.

Deportations: More than 50 non-citizens were arrested for deportation during 1948. By the end of the year, the total number of non-citizens facing deportation for political opinions was 71. In December, the United Press reported from Washington that the Justice Department was preparing to arrest 482 non-citizens and hold them for deportation because of their political opinions.

These deportations present a serious threat to the rights of all Americans, citizens as well as non-citizens, native as well as foreign-born. They are being used to terrorize foreign-born communities throughout the country. Among those facing deportation are trade union leaders as well as leaders of the Negro people, Jewish people, and foreign-born communities.

Of the 71 cases, three—John Santo, Peter Warhol, Peter Harisiades—brought from the Commissioner of Immigration and Naturalization an order for deportation. These three cases were pending before the Board of Immigration Appeals in the spring of 1949. The Board of Immigration Appeals is the final step in the administrative fight against deportation. If the Board sustains the Commissioner of Immigration and Naturalization, the only recourse against deportation is appeal to the Federal courts.

Naturalization: As a part of its campaign against the foreign born, reflected in the deportation drive, the Justice Department sought to discourage and prevent non-citizens from becoming American citizens. Hundreds of non-citizens throughout the country were subjected to endless and unnecessary questioning, examinations, and delays when they tried to become American citizens. Non-citizens who had engaged in any progressive social, fraternal or cultural activities at any time in the past were subjected to intimidation by Justice Department officials.

The Justice Department went so far as to arrest two non-citizens—Ardullio Susi and Myer Klig—and hold them for deportation only in an effort to prevent them from becoming American citizens.

Bail: During February, 1948, the Justice Department arrested five non-citizens—Charles Doyle, Gerhart Eisler, Irving Potash, Ferdinand Smith, John Williamson—and held them on Ellis Island without bail

pending deportation hearings in their cases. Several efforts during February to secure bail in the Federal courts failed.

On March 1, the five deportees went on a hunger strike. In New York City that week, more than 5,000 persons picketed the Immigration and Naturalization Service. Throughout the country similar picket lines marched before Justice Department buildings. Special protest meetings were held in important industrial centers. Thousands of telegrams and protest letters were sent to the Attorney General by individuals and organizations. On March 6, U. S. District Judge Bondy, in New York, sustained the Attorney General's denial of bail but granted court bail of \$3,500 in each case, pending an appeal. On August 3, the Federal Circuit Court of Appeals ruled that the District Court must hear argument on the Attorney General's denial of bail. On December 3, the Justice Department accepted bail of \$3,500 each for the release of Irving Potash, Ferdinand Smith and John Williamson but continued to refuse bail for the release of Charles Doyle and Gerhart Eisler. After the court set December 29 for argument on bail in these two cases, the government postponed indefinitely argument in the two cases. Doyle and Eisler, meanwhile, were free on the bail set by Judge Bondy.

Citizenship: In December, 1948, the Justice Department announced that it was preparing to initiate action to revoke the citizenship of 228 naturalized American citizens because of their membership in the Communist Party of the United States. This move was also part of the general assault on civil rights. Earlier in the year, the Immigration and Naturalization Service had started to call in naturalized American citizens for interviews. Using the pretext of "investigating" their citizenship status, the Justice Department subjected those non-citizens who answered communications in person to lengthy illegal questioning concerning their political opinions and political activities.

RED-BAITING AGAINST UNIONS

The House of Representatives committee on labor and education through its sub-committee headed by Rep. Charles J. Kersten (R., Wis.) spent the second half of 1948 in a red-baiting "investigation" of several CIO unions. Kersten himself was then defeated in the November, 1948, elections.

Imitating the House un-American committee in its fascist-like methods, the Kersten sub-committee subpoenaed union leaders, questioned them about their personal political beliefs, charged them with

being "red", and gave wide publicity to its biased conclusions, so that in some communities members of these unions were blacklisted by employers. Expenses of the committee's snooping into union affairs were, of course, paid by the tax-payers of the nation.

Unions thus attacked were all engaged in negotiations with employers or in elections under the restrictions of the Taft-Hartley Act. At a time when some of the unions were faced with mass layoffs and speed-up, the Kersten sub-committee thus did its utmost to weaken their bargaining power and play into the hands of the companies.

Using spies and renegades from the union in hearings held from July through October, 1948, in Washington, New York and Schenectady, the committee pried into the affairs of the Electrical Workers (CIO). Union officers testified that the UE does not inquire into the political or religious beliefs of its members. But in Evansville, Ind., the Kersten committee was able to blacklist and have UE members fired from local electrical plants because they refused to divulge their political or religious beliefs.

In the committee's report of December 19, 1948, Rep. Kersten charged that the UE's 600,000 members were "under Communist control." He praised action by David E. Lilienthal, chairman of the Atomic Energy Commission, in directing General Electric Co. to cease negotiations with the UE on work related to atomic energy.

Harold Christoffel, former president and then honorary president of Local 248, Automobile Workers (CIO) in West Allis, Wis., was convicted of "perjury" by a District of Columbia jury. He had denied before the House committee on labor that he was a Communist. Sentenced to two to six years in jail, he appealed his case to the U. S. Supreme Court which granted a review of his conviction.

Other unions attacked and red-baited by the Kersten committee included Fur & Leather Workers, Public Workers, Farm Equipment Workers, Longshoremen on the west coast, and Mine, Mill & Smelter Workers (all CIO).

MUNDT-NIXON BILL

The Subversive Activities Control Bill of 1948, sponsored in the 80th Congress by Representatives Karl E. Mundt (R., S. Dak.) and Richard M. Nixon (R., Calif.), was a product of the House Un-American Activities Committee. It was passed by the House May 19, 1948, by a

vote of 319 to 58, but it was still before the Senate Judiciary Committee in mid-June when Congress adjourned.

This Mundt-Nixon bill was not brought to vote in the Senate because of the nationwide opposition expressed by countless numbers of organizations and individuals of different political beliefs. Legal authorities stated the bill was clearly unconstitutional and contrary to fundamental American theories of government. Rep. Vito Marcantonio was credited with a courageous and skillful parliamentary battle in the House against this un-American measure.

In the 81st Congress a new Mundt-Nixon bill (S. 1194 and HR 3342) was introduced on March 8, 1949, called the Subversive Activities Control Act, 1949. Mundt had meanwhile been elected to the Senate. The new bill contains all the provisions of the earlier one but was described by Sen. Mundt as "a tougher, tighter measure." It includes new sections outlawing peacetime espionage. It would make the statute of limitations inapplicable to "treasonable acts" in time of peace. It would require the registration and publication of the names of all members of the Communist Party in the United States.

Creating the "crime" of attempting to establish by any means "a totalitarian dictatorship" in the United States under the control of any foreign government, the measure would set up as a penalty for this crime a fine up to \$10,000 and imprisonment up to 10 years, or both. There is no statute of limitations. Loss of citizenship is an additional penalty. In other words, any American-born or foreign-born American citizen convicted under this measure would lose his citizenship. The "crime" created is so vague that activities of trade unions and progressive organizations could arbitrarily be brought within it.

Members of organizations listed as "Communist" could not seek or hold elective federal office without disclosure of the fact that they are members. They could not be employed at all in any federal non-elective job. They would be denied the use of passports. They must brand themselves as "Communists" on their mail, radio programs and other means of communication.

The 1949 version of the bill would set up a Subversive Activities Commission (three members appointed by the President, one each from the Department of State, the Department of Commerce, and the Military Establishment) to work with the Attorney General in enforcing the bill's provisions.

National organizations opposing the original Mundt-Nixon bill in-

cluded CIO, AFL, Brotherhood of Railroad Trainmen, Civil Rights Congress, Liberal Party, Baptist Ministers Conference (of 300 ministers), American Jewish Congress, and many others. Over 5,000 persons from 30 states, representing over 200 unions and other organizations, assembled in Washington, D. C., on June 2, 1948, in a conference called by the Committee for Democratic Rights, to protest against the measure. They exposed publicly the fact that only the briefest hearings had been held on this extraordinary measure. (For an analysis of the original bill see "Description and Analysis of the Mundt Police State Bill," issued by the Civil Rights Congress.)

FAIR EMPLOYMENT PRACTICES

The struggle in Congress over a permanent Fair Employment Practice Committee continued in 1947-48. Democratic Senators and Representatives from southern poll-tax states were overwhelmingly opposed to any such legislation and planned to maintain the filibuster in order to defeat any anti-lynching, anti-poll tax or anti-discrimination measure.

The Democratic Party in its platform adopted July 14, 1948, committed itself "to continuing its efforts to eradicate all racial, religious and economic discrimination. We again state our belief," it said, "that racial and religious minorities must have the right to live, the right to work, the right to vote, the full and equal protection of the laws, on a basis of equality with all citizens as guaranteed by the Constitution."

President Truman on July 26, 1948, issued two executive orders, one to establish fair employment practices in the federal government and the other to provide for equality of treatment and opportunity in the armed services. He quoted American principles as requiring a policy of fair employment and treatment "without discrimination because of race, color, religion or national origin." Up to March, 1949, however, little or nothing had been done to carry out the President's order either in the armed forces or in government employment.

In the 81st Congress, Sen. Irving M. Ives (R., N.Y.) for himself and seven other senators, introduced a bill (S. 174) to "prohibit discrimination in employment because of race, religion, color, national origin, or ancestry." It was referred to the Senate committee on labor and public welfare.

State FEPC Laws: By the end of 1948, four states, New York, Massachusetts, Connecticut and New Jersey, had laws forbidding dis-

crimination. Several other states have mild anti-discrimination legislation but without penalties or machinery for enforcement.

The four state laws for fair employment practice, in general, forbid discrimination on grounds of race, creed, color or national origin. Fair practice must be observed in employment, dismissal, upgrading, downgrading, wages and working conditions. The state agencies can investigate complaints, undertake conciliation, hold public hearings, and hand down enforcement orders. Despite these laws, however, Negro rail workers in these four states do not yet have equal treatment or equal opportunity in the big railroad unions.

SEGREGATION IN NATION'S CAPITAL

In the capital of the United States, racial segregation was more prevalent in 1948 than it was 50 years ago. The National Committee on Segregation in the Nation's Capital revealed this startling fact in December, 1948, in a 91-page report entitled *Segregation in Washington*. The reporting group of 87 persons represented church, civic, and labor leaders from all parts of the country and included 14 residents of Washington.

Only 30% of the residents of the District of Columbia are Negroes, yet Negroes form 70% of the slum residents and have 69% of the tuberculosis deaths, the report revealed. The Negro people "are assigned by color to poverty." Most of them when they work make less than \$1,000 a year. "When a quarter of the population is barred from certain jobs because of its color, it must take what is left as surely as if it were condemned to involuntary servitude by law."

Discrimination in Federal Employment: The federal government is "systematically denying" equality of employment opportunities to Negroes, the survey found, despite the Ramspect Act of 1940, civil service regulations, and Presidential executive orders, all of which forbid racial discrimination in federal jobs.

The committee on segregation found that in the State and Justice departments and the Bureau of the Budget, Federal Trade Commission, Federal Reserve Board and other special agencies, Negroes are excluded from all but menial jobs which whites will not accept. In government "factories" such as the Census Bureau, the Government Printing Office and the Bureau of Engraving, Negroes are segregated in separate units.

Despite President Truman's civil rights program and anti-discrimination policy statements, nothing has been done to change this situation in federal employment. The committee's report placed full responsibility

on the government for maintaining the Negro people in such bondage. Segregation remains the official policy of the government.

Segregation for Profit: The root of all segregation is predominantly economic, the report showed. The National Association of Real Estate Boards stated in a pamphlet in 1944: "Negroes in the same economic groups are better pay because the demand for housing is so much keener." Profits are greater because the demand is "keen." On a street where mixed occupancy is permitted, Negroes were charged 30% more than whites for identical apartments.

Members of the Washington Real Estate Board who subscribe to its discriminatory "code of ethics" include 25 leading banks, insurance and title companies, building and loan associations. "Because of the absence of heavy industry" in Washington, the report says, "these groups hold a position of unchallenged leadership in the economic life of the community. . . . 'The same real estate interests that make money by excluding colored people . . . are able to collect inflated rentals from the slums into which they are driven. A profit is made on the Negro coming and going.' As a result of this segregation for profit the Negro people are crowded together in 'black belts' in the city which has some of the 'ugliest slums in the nation,' the committee reported.

Anti-Discrimination Laws Dropped: Under the two Civil Rights acts of 1872 and 1875, equal use of public facilities in Washington was guaranteed to all citizens. The National Committee on Segregation in the Nation's Capital found that these two laws have never been repealed.

They were simply omitted in the District of Columbia code about 45 years ago when the laws were recodified.

Such discrimination in Washington becomes extremely embarrassing when representatives of other nations whose people have dark skins come to this country. It is also embarrassing to U. S. representatives in the United Nations when they try to argue with the delegates from other countries about the superior advantages of American freedom and democracy.

POLL TAXES

The President's Committee on Civil Rights reported to President Truman October 29, 1947, with detailed recommendations "to strengthen the right to citizenship and its privileges." Its first recommendation on voting rights was: "Action by the states or Congress to end poll taxes as a voting prerequisite."

In the 80th Congress, an anti-poll tax bill passed the House in July, 1947, by a vote of 290 to 111. Most of those voting against it were from southern poll-tax states under the leadership of Rep. John Rankin. The measure passed the Senate rules committee in April, 1948, but senators from poll-tax states again succeeded in blocking its passage in the Senate.

For the first time, however, there was a break in the southern poll-tax front when the Senate on June 7, 1948, by a close vote of 37 to 35, passed an amendment to the draft law. Proposed by Sen. William Langer, the amendment ended the poll tax for anyone drafted into the armed services. Although it applied only to drafted servicemen, the amendment was considered a possible precedent for complete abolition of the poll tax.

Seven southern states, (Alabama, Arkansas, Mississippi, South Carolina, Tennessee, Texas and Virginia) still had poll-tax laws in February, 1949. Georgia had abolished the tax in 1945. But in 1949, under the leadership of Gov. Herman Talmadge, the Georgia legislature was considering a complete "white supremacy" program, including a revival of the poll tax.

How these laws cut down the number of eligible voters, poor white as well as Negro, was proved by the President's Committee on Civil Rights. It reported that in the 1944 presidential elections, only 18.31% of eligible voters in southern poll-tax states (eight at that time) cast their ballots. This contrasted with 68.74% of eligible voters voting in the 40 other states.

In the 81st Congress, a bill (S.97) was introduced in the Senate "making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers." This measure was sponsored by Sen. Homer Ferguson (R., Mich.) for himself and for Senators H. Alexander Smith (R., N.J.), Wayne Morse (R., Ore.) and Leverett Saltonstall (R., Mass.). It was referred to the committee on rules and administration. Rep. Vito Marcantonio (ALP, N.Y.) again introduced HR 7, an anti-poll tax measure, and other Congressmen also introduced anti-poll tax bills.

LYNCHINGS AND KILLINGS OF NEGROES

In its annual record of lynchings in the United States, the Tuskegee Institute in Alabama reported only two in 1948 and only one in 1947.

But the Institute's definition of lynching seems to be too narrow, since many wanton killings of Negroes are not included.

In proposed anti-lynching legislation it is usually defined as an attempt by two or more persons to exercise without legal form "any power of correction over any person who is in custody or sought as a suspected criminal."

But Tuskegee Institute does not count as a lynching the killing of a Negro sharecropper, Isaiah Nixon, in front of his wife and six children, because he voted in the primary election at Macon, Ga., on September 8, 1948. The Institute reports: "There was one borderline case, not included in the total number of lynchings for 1948 for the reason that in one respect it does not conform to criteria used. This victim was Isaiah Nixon, the 28-year old Negro who insisted on voting in Georgia's primary election after being advised not to do so. On the evening of the same day he voted, two brothers, white, went to Nixon's home and shot him. He died two days later in the hospital."

Lynchings in 1947-1948: One of the two persons lynched in 1948 was Robert Mallard, 37-year old Negro auto salesman and farmer of Vidalia, Ga. Ambushed as he and his wife drove along a lonely road on November 20, he was shot and killed by a group of white-robed men. Mallard had urged his people to vote in the 1948 Georgia primaries since Negroes are now supposedly allowed to vote in that state. One of the lynch mob was identified by Mrs. Amy Mallard, the widow.

The other person lynched in 1948 was a white tenant farmer, William H. Turner, of Meriwether County, Ga. One person was convicted and sentenced to death in this lynching of a white farmer.

In 1947, the only person reported as lynched was Willie Earl, 24-year old Negro of Greenville, S. C. He was accused of stabbing a white taxi driver who died from the wounds. Earl was taken from jail on February 17, 1947, by a mob of white taxi-cab drivers, stabbed, shot and killed. His mutilated body was found near a rural slaughterhouse.

Although 28 white men were brought to trial in Greenville, S. C., in May, 1947, for this lynching, all were acquitted by a southern jury of 12 white men. Practically all the defendants had admitted participation in the crime.

Killings: No one can attempt to estimate the number of wanton killings of Negroes during the past two years. Many Negro veterans of World War II have been slain on the slightest pretext by "trigger-happy"

policemen. These killings have taken place in the North as well as in the South.

A trade unionist, Roy Cyril Brooks, Negro member of the Food Workers (FTA-CIO), Local 309, was murdered February 27, 1948, in Gretna, La., by police officer Alvin Bladsacker. Brooks, a worker in the Swift fertilizer plant, was arrested on a bus after an argument over a 5-cent bus fare. He was shot and killed by the policeman on the street on the way to jail.

In Brooklyn, New York, Willie Milton, 31-year old Negro auto mechanic and member of the Communist Party, was shot by policeman Peter Kilcommons on July 14, 1948, and died the next day from the wounds. Milton with his brother and two friends had taken one glass of beer each in a Jim-Crow bar when the bartender drove them out with his ice-churner. They ran to escape the blows and the patrolman on the street shot Milton in the back as he tried to enter the door of his home. Milton had been active in a successful strike against high rents on his block. Despite widespread protests over this murder the cop was not punished in any way.

In Detroit, Mich., on June 4, 1948, a 15-year old school boy, Leon Moseley, was dragged from a car by two policemen who beat him, fractured his skull, broke his neck with a gun butt, and then shot him dead. A coroner's jury ruled that the killing was "unnecessary, unwise and unjustifiable."

Anti-Lynching Bill: Every Congress for some 25 years has had before it a bill to make lynching a federal offense. But southern Senators and Representatives have always succeeded in blocking its passage.

In the 81st Congress a number of anti-lynching bills have been introduced. Adam C. Powell (D., N.Y.) sponsored one measure (H.R. 115) to provide for the better assurance of protection for citizens "from mob violence and lynching." A similar bill (H.R. 155) was introduced by Clifford P. Case (R., N.J.).

The principle of federal anti-lynching legislation was approved in February, 1948, by the Southern Regional Council, an inter-racial organization of business men, educators, civic, church, labor and other leaders.

FRAME-UP OF TRENTON SIX

Six Negro workers of Trenton, N. J., were condemned to death in August, 1948, for allegedly murdering a white man. The Civil Rights

Congress, entering the case in their defense in January, 1949, charged there had been "a serious miscarriage of justice."

The white man, William Horner, a second-hand furniture dealer, was attacked in his store on January 27, 1948, and died without regaining consciousness. His wife described three white men or light-complexioned Negroes as responsible for the murder. By February 13, the police had arrested six Negro workers, Collis English, McKinley Forrest, Horace Wilson, Ralph Cooper, James Thorpe, and John MacKenzie. All were very dark in complexion except Thorpe who had just lost one arm in an operation at the hospital. Forrest is a member of the United Steelworkers (CIO).

Police claimed five of the men had "confessed" to the crime after being held in prison several days without benefit of counsel. Prisoners charged they had been beaten and doped before being forced to sign confessions, which they later repudiated in court. Mrs. Horner at first refused to identify the suspects but later said she recognized them from the six photographs shown her by police. This uncertain identification was the only testimony against them. All produced alibis showing they were not at the scene of the crime.

On August 6, 1948, after a 55-day trial in the Trenton court, the defendants were all found "guilty" by an all-white jury, and were then condemned to death for first degree murder. The case has been appealed to the New Jersey Supreme Court by O. John Rogge, former Assistant U. S. Attorney General, retained by the Civil Rights Congress. The Committee to Free the Trenton Six formed in February, 1949, called it a "New Jersey Scottsboro Case."

INGRAM CASE

Rosa Lee Ingram, Negro sharecropper, of Ellaville, Georgia, is a widow and mother of 12 children. On November 4, 1948, she was attacked in the field by a white sharecropper, John E. Stratford, because her hogs and three mules had strayed into his field. Stratford was armed; Mrs. Ingram was not. In the struggle her 15-year old son, Wallace, came to her rescue and struck Stratford who fell dead from the blows.

Mrs. Ingram and four sons were arrested, indicted for murder on January 22, 1948, tried by an all-white jury on January 26, sentenced January 27 by Judge William H. Harper. Three, Mrs. Ingram, Wallace

and her 13-year old son, Sammie, were sentenced to death in the electric chair. They were to be executed for this self-defense slaying on February 27, 1948, but execution was stayed, pending argument for a new trial. Protests against the verdict poured in from all parts of the country.

Judge Harper commuted the sentence to life imprisonment but denied the motion for a new trial. Attorneys for the National Association for the Advancement of Colored People carried an appeal to the Georgia Supreme Court which upheld the conviction. Appeal was then carried to the U. S. Supreme Court.

ATTACKS ON ACADEMIC FREEDOM

Three of the faculty at the University of Washington in Seattle were dismissed by the Board of Regents January 22, 1949, on the ground that they were either Communists or sympathetic with communism. Two of the men, Herbert J. Phillips and Joseph Butterworth, were said to have admitted membership in the Communist Party. The third, Ralph H. Gundlach, was called a "fellow-traveller"; his was a case of "guilt by association." Gundlach brought a libel suit for \$100,000 against the university president, Raymond B. Allen, for calling him a Communist.

Six men at the University of Washington, all faculty members for 20 years or more, were originally cited for dismissal after the local Canwell "little un-American" committee had finished its four-month (March-July, 1948) inquisition. Three of the men, however, were retained by the university "on probation." A faculty committee of 11, in a majority report, recommended that no one should be dismissed merely for holding opinions. The case has been submitted to the American Association of University Professors for investigation.

Other Dismissals: Professors and teachers called Communists were not the only ones to lose their positions in the hysteria of the past two years. Prof. Lyman R. Bradley of New York University was suspended and then dismissed for his activities on behalf of anti-fascist Spanish refugees. (See Contempt Cases in this chapter.)

Many who supported the Progressive Party and the 1948 campaign of Henry Wallace were fired or forced to resign as a result. At Evansville, Ind., Evansville College (Methodist) forced Dr. George Parker to resign two days after he had presided at a Wallace rally. The University of Georgia at Athens, Ga., ousted Assistant Professor James Barfoot when he was nominated for Governor of Georgia at a Progressive Con-

ference, although he had not accepted the nomination. Lycoming College, Williamsport, Pa., dropped Dr. Clarence R. Athearn because he joined the Progressive Party.

Other colleges and schools taking similar action in 1948 against progressive educators included: University of Miami (Fla.) discharged three faculty members, Leonard Chosen, Charles G. Davis, and Daniel D. Ashkenes, all three for Wallace activity; Oglethorpe University (Ga.) discharged Don West for Progressive Party activity; Lyndon State Teachers College, (Vt.) forced Dean Luther K. MacNair to resign because of Wallace activity; Tarpon Springs High School at Tarpon Springs, Fla., dismissed its principal, George T. Frantzis, for Wallace activity; Teachers College, Columbia University, N. Y. C., dropped Dr. Clyde Miller when he became one of the 700-man National Wallace Committee.

Olivet College (Mich.) dropped five of its best-known faculty members, including four members of the American Federation of Teachers (AFL). One of them, Tucker P. Smith, was head of the Teachers' Union local. These five were fired by the new president, Aubrey L. Ashby, formerly vice-president and general counsel of the National Broadcasting Co. In Buffalo, N. Y., a secondary school teacher, Eleanor R. Dushane, was fired for tacking up a poster advertising a liberal speaker, a PM columnist. She was ordered reinstated by the New York Supreme Court and again by the Court of Appeals on December 30, 1948. She had to go into debt for her defense case.

In February, 1949, Dr. Ralph Spitzer, Professor of Chemistry at the University of Oregon, was dismissed because he urged his fellow scientists to read the biology report of the Soviet scientist, Trofim Lysenko.

Persecution of Teachers: The list of dismissals for progressive activity, shown above, gives only a small part of the whole picture. Countless numbers of teachers have been subjected to pressure and intimidation.

In Staten Island, New York, at P. S. 21, two days before the 1948 Christmas holidays, Mrs. Minnie Gutride, a first-grade teacher for 17 years, was summoned to the principal's office and questioned by agents representing Superintendent of Schools William Jansen. Mrs. Gutride was a member of the Teachers Union of New York, Local 555 of the Public Workers (CIO). She was asked about a meeting held at her house in 1940. Terrorized by the inquisition, Mrs. Gutride went home, turned on the gas jets and went to sleep. She was found dead on Christmas Eve.

V. TRADE UNION TRENDS

NUMBER ORGANIZED

Total membership claimed by labor unions in the United States is about 16 million. Over seven million of these are in the American Federation of Labor, about six million are claimed by the Congress of Industrial Organizations, and the remainder in independent unions.

The largest of the independent unions at the end of 1948 were the United Mine Workers of America, which disaffiliated from the AFL on December 12, 1947, and the International Association of Machinists which has been out of the AFL since 1945. Each of these organizations has a membership of over 600,000. Other large independents are the railroad brotherhoods, discussed below, and the Communications Workers of America with around 187,000. Its executive board in February, 1949, recommended joining the CIO and a referendum later confirmed the move to affiliate.

Percentage of workers organized is indicated in the latest Directory of Labor Unions in the United States issued by the U. S. Bureau of Labor Statistics (Bulletin No. 937). It says:

"In relation to the nation's total labor force about one out of every four workers now belongs to a union. Union members, however, comprise more than 40% of that portion of the labor force in which unions have concentrated their organizing efforts. This portion excludes agricultural workers, domestic help, the self-employed, and other segments of the labor force which, at least until recently, were not susceptible to trade-union activities.

"In some industries, such as steel, automobiles, printing, construction, mining and transportation (rail, bus and trucking) most workers are union members. Other industries, such as cotton textiles, foodstuffs, and services (laundries, hotels, restaurants), are only partly, and probably less than 50%, organized."

Latest list of all national and international unions, with their addresses and names of principal officers, is included in the BLS directory, which gives also for each union the name of its official publication, the frequency of the union convention and other information. The directory contains also the main officers and addresses of the state federations of labor of the AFL and the state industrial union councils of the CIO.

Increasing strength of the unions is indicated by the size of their income. Total dues paid by members in unions now comes to an estimated \$400 million a year. If other sources of income are included, the total union revenues probably run close to \$500 million annually. This is, of course, a trifling amount of money when compared with the billions of dollars in the treasuries of the corporations with which the unions have to bargain and struggle for a higher standard of living.

1947 AFL CONVENTION

The 66th convention of the American Federation of Labor was held at San Francisco, Calif., October 6-16, 1947. It was attended by 678 delegates and the total membership reported for the end of the fiscal year was 7,577,716, a net gain of 425,908 members during the year, or nearly double the gain of the previous year.

It reported its southern organization drive between June, 1946, and July 31, 1947, had added 425,000 new members to the unions involved. New charters issued in the South numbered 1,300 and new bargaining units established numbered 1,800.

Taft-Hartley Decision: Although it attacked the Taft-Hartley Act from various angles and voted funds to defeat the Congressmen who had voted for it, the convention also decided to comply with the provisions of the law.

The controversy over compliance evoked one of the main debates of the convention. It was finally decided to delete the title of vice-president from 13 members of its executive council leaving in name only two officers, the president and secretary-treasurer, who would then sign the non-Communist affidavit required under the law of all officers of unions desiring to use the machinery of the National Labor Relations Board.

This step was taken because John L. Lewis, one of the vice-presidents, refused to sign what he called the "insulting" affidavit. The amendment made it possible for the federal labor unions, directly accountable to the executive council, to be given status before the NLRB.

As a result of the action Lewis refused to stand for re-election to the executive council.

The majority, led by Pres. Daniel Tobin of the Teamsters and AFL Secretary-Treasurer George Meany, held that the action merely put the 290,000 members of federal labor unions in the same position as the other AFL members. It gave them the right to qualify under the Act. In view of the fact that \$1,176,891 of the \$2,682,488 per capita tax

income of the AFL came from federal labor unions in 1947, they regarded the possible loss of these locals as a very serious matter.

Foreign Policy Issues: In the field of foreign policy the convention action was similar to that of previous years. It gave full endorsement to the Marshall Plan and the Truman Doctrine. It expressed approval of the U. S. State Department in its European policies with a view to supporting "free enterprise" abroad as well as what it termed the "free trade unions."

It supported the government's campaign for economic war against the Soviet Union and the new peoples' democracies of eastern Europe, and advocated a Western European mutual assistance pact as a base for attack on the Soviet Union. In the approved section of the executive report dealing with "Relations With Russia" it poured out hatred and hostility toward the Soviet Union.

Although it went along with the State Department on foreign policy, the convention opposed compulsory peacetime military training.

International Labor Federation: In line with its anti-Soviet attitude the convention attempted to lay the groundwork for a new world trade union organization in opposition to the World Federation of Trade Unions which, the AFL asserted, was Communist-dominated. It directed its unions to have closer relations with the International Trade Secretariats. These were a part of the defunct International Federation of Trade Unions to which the AFL had been affiliated in prewar days.

Un-American Committee: Convention adopted a section of the executive council's report which stated: "We supported the general purposes for which the committee"—the House Un-American, or Thomas-Rankin committee—"was created and shall continue our support of it." It reported, however, that it had opposed bills which would have outlawed the Communist Party.

Unity Rejected: CIO proposals for unity on the legislative and political front were rejected by President Green who insisted that organic unity must come first. Both the AFL and CIO conventions in 1947 authorized committees to negotiate further but with no plans for them to resume meetings.

Although rejecting unity on political and legislative matters, the convention approved a recommendation of the executive council to call a conference of all AFL presidents to streamline Labor's League for Political Education "to further the economic and political policies" of the AFL.

Other Actions: The convention warned against the use of the U. S. Bureau of Labor Statistics cost of living as a guide to wage demands because they "do not reflect the true cost of living." It also supported legislation for fair employment practices and dropped its previous opposition to applying such a law to discrimination within unions themselves.

Among legislation advocated were bills to abolish the poll tax, provide 500,000 public low-cost rental units in the next four years, establish a fair and equitable system of taxation, admit 400,000 displaced persons into the U. S. over a period of four years, and provide for national health insurance.

The convention also hit at the government practice of granting loans to foreign governments to finance shipbuilding programs which compete with U. S. shipyard workers. It attacked the sending of steel and non-ferrous metals to foreign countries when there were insufficient supplies available for U. S. use.

1948 AFL CONVENTION

The 67th convention of the AFL was held in Cincinnati, Ohio, November 15-22, 1948. More than 650 delegates attended, representing 96 national and international unions, four departments, 37 state federations, 137 city central bodies and 77 local trade and federal labor unions.

Membership during the year, it was reported, had dropped to 7,220,531, the net result of the withdrawal of the United Mine Workers and considerable gains in membership by other affiliates.

Guest Speaker: As in previous years, the invited speakers at the convention devoted a great deal of their time to complimenting the AFL on its anti-Communist and anti-Soviet obsessions. The tone of the convention was set by such pronouncements as that of Max Eastman, former Communist and now an editor of the reactionary Readers Digest. He spoke officially for, and appealed for "financial support" of, the New Leader, a "socialist" weekly whose anti-Red smears have been recommended by the Chamber of Commerce of the United States. Eastman favored the overthrow of the Soviet Union, urging the delegates to repeat this statement: "There will be no peace on this earth as long as the Stalin regime survives in Moscow." He advised the delegates to "grab all the eggs you can get your hands on, of course, but watch out. Don't kill the goose," which he said was capitalism, "the only creature

on earth that ever laid golden eggs . . . she is the only one that ever will."

He told the AFL it was "not organized labor any longer. You are a great national power . . . the most powerful private organization in the United States."

"Red Herring": Even though President Truman had denounced the headline-hunting House Un-American Committee, with its "spy" investigations, as engaged in dragging a "red herring" across the political scene, the AFL again endorsed the committee. It said: "We have supported all committees which have been appointed in the House for investigation of un-American activities, as we support the general purposes for which the Committees were created and in accordance with past convention actions, will continue to do so."

Political and Legislative Action: A meeting of the leaders of most of the unions taking part in the convention decided to set up Labor's League for Political Education (described elsewhere in this volume) on a permanent basis. To support the work it was decided to ask each cooperating union to contribute 10¢ per member for a 14-month period. This would finance "educational work not directly connected with a candidate for national office" which, even under the Taft-Hartley law, could be supported by the unions.

A national legislative council of the AFL was created to work for the repeal of the Taft-Hartley Act and to fight for the enactment of the federation's legislative program. The new council is composed of the AFL's legislative committee and a representative of each affiliated union "desiring to participate."

Foreign Policy: The declaration on this subject was even more anti-Soviet than those adopted in previous years. It called for a virtual military alliance against the Soviet Union and for the breaking off of trade relations with that country as a means of lifting the blockade of Berlin.

It reaffirmed its "support of the idea of developing a United States of Europe," backed the "Baruch Plan for international control and inspection of atomic energy," and reiterated its support of the Marshall Plan.

It opposed all "private arrangements between the U. S. and Russia, special confabs between chiefs of state, or missions to Moscow."

Other Proposals: The convention proposed voluntary control of inflation instead of price controls; approved a comprehensive social insur-

ance program; called for a long-range housing program, and for a civil rights program abolishing the poll tax and setting up a Fair Employment Practice Committee. Its other recommendations for domestic reform were similar to those advocated by the Democratic Party.

1947 CIO CONVENTION

The ninth convention of the Congress of Industrial Organizations was held in Boston, Mass., October 13-17, 1947. It was attended by 608 delegates from 41 national unions, 34 state industrial union councils, 164 city and county industrial union councils, and 128 directly-affiliated local industrial unions.

Claiming about six million members, the CIO reported that its affiliates included 41 national and international unions and the 34 state industrial union councils, in addition to 387 industrial union councils and 391 local individual unions.

The largest unions represented at the convention, in the order of the number of delegates attending, were as follows: Steelworkers (27 delegates), Automobile Workers (27), Electrical, Radio & Machine Workers (18), Textile Workers (14), Clothing Workers (12) and Rubber Workers (11).

All the unions reported considerable progress during the last year or more. Various unions had continued their campaign to organize the South. Some 280,000 new CIO members had been added in that area during the last year, and the CIO reported it had won more than 550 elections there. In addition, a majority of the employees had been signed up in about 275 southern plants where elections had not been held.

Employer tactics in opposing workers' efforts to organize in the South were as ruthless as in previous years. Pres. Murray's report to the convention said that a large portion of the textile industry had engaged in wholesale violations of the Wagner Act, blacklisting and firing employees illegally for union activity. These textile mill owners and operators had preached hate and played on race and religious prejudice in an effort to keep their workers out of the CIO. The report said: "Twenty CIO organizers and local union leaders have been physically assaulted during the campaign, two were shot at and their cars set afire and dynamite was set off at a number of meeting places to keep workers from organizing."

Economic Program: As a "step in the direction of promoting full employment and full production" the convention adopted a comprehensive "economic program." It urged the United States Congress to accept this proposed program: (1) Re-establishment of price controls, creation of a federal price investigation board and a government attack on monopolistic price-fixing; (2) A renewed drive for wage security through establishment of a guaranteed annual wage; (3) Extension to all CIO contracts of health and welfare insurance programs for workers in private industry; (4) A complete overhauling of the federal tax structure to lift some of the burden from low income groups; (5) Amendment of the wage-hour law to increase the minimum wage to 65¢ immediately and to 75¢ within two years, and to extend the law's coverage. (6) Expansion of coverage by the social security law and an increase in benefits; (7) Immediate enactment of national health insurance and a national health program; (8) Passage of a federal fair employment practice act; (9) Enactment of federal aid to education so that educational opportunities of equal character will be available to all; (10) Establishment of a permanent anti-monopoly agency so that disclosure of concentration in American industry may make possible "a realistic anti-trust law."

Other subjects covered in the program included a revamping of the federal farm program, the setting up of river valley authorities similar to TVA, federal housing for low and middle-income families, continued rent control and increase in the level of veterans' benefits.

Peacetime Military Conscription: Convention went on record against peacetime military conscription, asserting, "The drive toward maintenance of an expanded military establishment can serve only to provoke international armament competition, to pervert the thinking of our youth and our people as a whole, and to impede international cooperation and joint action through the United Nations. Moreover, in an era of atomic energy it affords no assurance of actual protection against attack."

Protection of Democracy: Civil rights were dealt with in a strong resolution on the protection of democracy. It attacked the President's Loyalty Order 9835 stating: "Not only does it disregard the basic democratic principles of a fair hearing and a fair trial but it encourages the establishment of a thought police under which every form of political deviation on the part of government workers may become an occasion for their discharge."

This resolution also attacked deportation proceedings against certain labor leaders, all discrimination against Negroes, lynchings and other murderous assaults on the Negro people. It referred to the "monstrous growth of anti-Semitism" in this country, to the "dismaying tendency to keep liberal speakers off the radio waves" and to various forms of persecution of political minorities.

The resolution demanded specific legislation to stop lynching and racial segregation, invalidate restrictive housing covenants, abolish the poll tax and guarantee freedom of political expression to government workers.

Thomas-Rankin Committee: The House un-American committee was described in another resolution as a "witch-hunting committee" that has slandered veterans' groups, sought to intimidate radio commentators, permitted itself to be used as a forum for attacking the Jewish and Negro people and in general "served as the spearhead in the reactionary drive against the rights of workers, against the civil rights of all the people." The CIO re-affirmed its "unqualified opposition to this un-American Committee and renews its pledge to work unceasingly for its abolition."

Foreign Policy and World Emergency: The convention did not endorse the Marshall Plan or the Truman Doctrine although Pres. Murray himself and the right-wing leaders supported them in discussing the resolution on "Foreign Policy and the World Emergency." This resolution was somewhat vaguely worded and subject to various interpretations.

Passed as a compromise, after a long discussion, the resolution set forth the CIO's "principles" underlying aid to foreign lands and urged that "under no circumstances should food or any other aid given by any country be used as a means of coercing free but needy people in the exercise of their rights of independence and self-government or to fan the flames of civil warfare."

This resolution opposed also "the offensive led by evil forces to provoke and foster the insane idea of another world war," and it urged the United Nations to "take early and effective measures for progressive universal disarmament."

It urged "the complete demilitarization and utter destruction of all vestiges of fascism in Germany and Japan, and the complete elimination of the cartels and Nazi control of industry which planned and furnished the economic base for Hitler's and Hirohito's military aggressions. Any-

thing less would be a complete betrayal of the millions who fought and died in the war."

The resolution also called for "the fulfillment of the basic policy of our late President Roosevelt for unity of purpose and action among the three great wartime allies—the United States, Great Britain and the Soviet Union within the United Nations."

Other Actions: Other major resolutions dealt with the Taft-Hartley law, trade union unity, support for the World Federation of Trade Unions, farmer-labor unity and political action in the 1948 elections.

The resolution on the WFTU stressed the success achieved so far by that organization which, it said, "has demonstrated that the representatives of the labor movements of all the countries of the world can meet, work together, and co-operate in complete agreement toward solution of the problems which vex the world. . . . The WFTU has firmly established its position as the authoritative spokesman for the working people of the world."

1948 CIO CONVENTION

The tenth convention of the CIO, held in Portland, Oregon, November 22-26, 1948, was the most controversial in the history of the organization. It was attended by approximately 600 delegates representing 40 national unions, 37 state CIO councils, 193 city and county CIO councils, and 96 directly affiliated local industrial unions.

Reporting on organization developments during the year, Pres. Murray said the CIO had won 475 of 792 National Labor Relations Board elections in which it took part and drew a total of 92,041 votes in such elections in the course of the year. He said it had won 2,729 out of 2,761 union-shop authorization elections between August 22, 1947, and July 31, 1948.

Although he gave no specific figures for the past year on the southern organization drive Murray reported that the total gains for the entire drive, which started in the spring of 1946, were approaching 500,000.

Minority Views: For the first time in CIO history a group of progressive delegates dissented from some of the views expressed in Pres. Murray's report on activities and policies during the year.

Donald Henderson, president of the Food, Tobacco & Agricultural Workers, Irving Potash, vice president of the Fur & Leather Workers, and Pres. Joseph Jurich of the Fishermen & Allied Workers signed a minority statement as members of the officers' report committee. The

minority report of the resolutions committee expressed a similar point of view on a number of subjects. Although not permitted to present it as a minority report, it was referred to on the floor, especially in the speeches of Pres. Joseph Selly of the Communications Association.

It asserted that a "cold war" foreign policy means "increasing burdens of armament costs, inflation, the threat of wage freezing and manpower controls, and of anti-labor legislation and measures repressing civil liberties, with the ultimate catastrophe of war." It urged return to the "Roosevelt program of international cooperation and fair compromise, and the non-support of reactionary governments."

Referring to the working of the Marshall Plan during the first year, it said that "contrary to the expressed objectives set forth by CIO and sought by the American people," the ERP has obstructed European reconstruction, "impaired the conditions of European workers, and carried with it interference in the affairs of other nations."

It proposed "that the question of economic aid should be submitted now to the United Nations for a plan to be worked out and carried out through that organization." It also called on all nations to adopt a plan for complete disarmament under United Nations inspection.

The report condemned the recent pardon of Nazi war criminals and protested the action of U. S. representatives in Germany in returning German industry to Nazi cartel interests. It opposed any steps to lend aid to fascist Franco Spain and the sending of troops, funds or munitions to the Chiang Kai-Shek regime in China.

It re-affirmed the traditional opposition of U. S. labor to the peacetime draft and universal military training. It demanded release of all labor prisoners in Greece and called on our government to cease all support of the Royalist Greek government.

Discussing CIO policy toward the World Federation of Trade Unions, it urged the strengthening of that organization, at the same time "maintaining the principle that each national trade union center has the right to take its own position on controversial questions, whether it be ERP or other political issues."

On the question of political action the minority report called for a new unity of all branches of labor to work "for future electoral victories." It declared that within the CIO "full freedom of political expression and differences must be reserved."

Referring to wage policy, it "affirmed the necessity for substantial wage increases for all workers" and demanded "that wage increases be

granted by industry without price increases." It asked the CIO to "denounce employer schemes for increased production based on speed-up and intensified exploitation of the workers."

Finally, it condemned "raiding activities by certain CIO unions" as impairing the strength of the CIO. It denounced "the use of the anti-labor Taft-Hartley law by some unions in their attempted raids."

Foreign Policy Resolution: With some 35 delegates standing in opposition and others abstaining from voting, the important eight-point resolution on foreign policy expressed support of the United Nations but condemned what it called the Soviet Union's "abuses" of the veto power. It supported the European Recovery Program and urged an early peace with Germany, Japan and other former enemy countries. It opposed recognition of, or assistance to, Franco Spain, and condemned the assumption that another world war is inevitable. It condemned the "Soviet-imposed blockade of Berlin" and called on the United Nations to "pursue its efforts to obtain genuine disarmament, including international control of atomic energy, with full power of inspection." It asked for economic self-determination and self-government for colonial countries and the continuance of the Good Neighbor policy toward the peoples of the whole world. While supporting the U. S. State Department in the "cold war" all over the world, it declared: "We accept the plain, obvious truth that peace and prosperity are indivisible."

Political Action: Resolution on this subject, adopted after a long debate by a vote of 537 to 49, reviewed the history of the CIO Political Action Committee formed in 1943. It hailed the results of the 1948 election and reaffirmed "as a basic policy of the CIO the principle that the political activity of CIO must and will be continued on an independent and non-partisan basis, giving support to the progressive forces in both major parties and basing its judgment of candidates on their record. The experience of this election has fully confirmed the correctness of our decision to abstain from and discourage any move in the direction of a third party at this time."

It voted to continue the CIO-PAC "in its present form," instructing it to "continue to direct the work of political action and political education of CIO and service, advise and coordinate the work of the political action committees of state and city bodies."

Despite much condemnation of left-wing unions like the Fur Workers for backing Henry Wallace for President and opposing PAC poli-

cies, no resolution was passed for making majority rule on political activity binding on all international unions.

Investigation Powers: Convention voted the executive board the power to investigate situations involving CIO affiliates which are alleged to have "failed to make substantial progress in organizing the unorganized." It also gave the executive board the power to take "appropriate action."

Such a resolution had been called for by Pres. Murray in his opening address to the delegates when he had vehemently attacked the leadership of the United Office & Professional Workers, the United Public Workers, and the Food, Tobacco, Agricultural & Allied Workers, all of whom under left-wing leadership had taken progressive positions on national issues.

In response to a question from the floor, Murray stated that the resolution "does not give the executive board the right to revoke the charter of any international union." Actual suspension or expulsion of an affiliate, under the CIO constitution, can occur only upon a two-thirds vote of a convention.

Labor's "Good Credentials": For the first time in U. S. history a Supreme Court Justice addressed a labor convention. Justice William O. Douglas of the U. S. Supreme Court, the chief guest speaker, asked labor to have faith in "the American way that builds a classless society without exploitation of any group." He attacked the concept of classes, saying, "the idea of class is foreign to us in this country." He urged the joint responsibility of labor and management "to see that the modern industrial plant serves the needs of the public." He said, "labor, management and investors have a long term solidarity of interests," and that labor "carries good credentials to western Europe," and can thus help sell State Department policies in those countries.

Raiding: There was much discussion of raiding of one CIO union by another and concrete evidence was offered indicating where it had been widespread. Pres. Murray said he did not condone it and vice-president Allan S. Haywood, director of organization, spoke strongly against it, along with a number of progressive leaders. The convention, however, refused to condemn raiding within the CIO as called for in a minority amendment to a resolution on organizing the unorganized.

Legislative Proposals: As in previous years, the CIO proposed price controls as a check to inflation, including rent control and a rollback of

prices, inventory controls, consumer credit controls, and an end to speculation on the grain exchanges.

In the tax field it advocated an excess profits tax for corporations and tax relief for lower-income groups by raising the exemptions for a married couple to \$3,000 with \$600 for each dependent, and for single individuals an exemption of \$1,500. Excise taxes should be repealed and loopholes closed in the tax laws.

Other resolutions called for extension of social security legislation, federal aid to education, a \$1-an-hour minimum wage under the Fair Labor Standards Act (no demand was made, however, for extending this Act to cover agricultural workers), a comprehensive housing program, an adequate health insurance program, a continuation of federal ownership of tidewater oil lands, soil conservation, and the strengthening of the U. S. Department of Labor.

Its civil rights proposals were similar to those adopted in previous years. A special resolution called for repeal of the Taft-Hartley Act and another one asked for restoring of the Norris-LaGuardia anti-injunction law to its original effectiveness.

Office Workers Reply: In answer to Murray's denunciation of the Office & Professional Workers, the delegates from that organization pointed out that this union had grown from less than 4,000 regular dues paying members in 1937 to a peak of 56,000 in March, 1948. It was the UOPWA, it said, which had organized insurance agents in the powerful insurance companies — Prudential, Metropolitan, and John Hancock, winning increases for them of over \$20 million a year. It reported that in the movie industry it had successfully organized the first white-collar union and raised salaries from an average of \$25 to over \$51 a week. In the field of social service, banking and technical and scientific workers, "UOPWA organization has opened new fields to unionism, and established pay levels ranging from \$50 to \$100 a week for workers formerly receiving pitifully meager salaries."

It reported also that it had aided other industrial unions of the CIO in lining up office workers, in some cases turning workers first organized in the UOPWA over to these unions.

Aided by the Taft-Hartley Act and the general wave of reaction in 1948, certain other unions had carried on raids against UOPWA. Unions raiding the UOPWA included the Automobile Workers, the Toy & Novelty Workers, the Oil Workers, the Shipbuilding Workers, the Transport Service Workers, and the Paper Workers.

These raids and interferences in the internal affairs of the UOPWA, "dovetailing with employer attacks, have temporarily taken a toll of 14,000 members of the UOPWA; but at the same time, despite such attacks, contracts covering over 40,000 workers have been renewed successfully with major gains for the workers."

The union's delegates declared also that the recent attacks of the CIO top leadership on the UOPWA marked "a complete departure from the traditional CIO policy of democracy and solidarity among unions."

Communist Statement: As the convention speeches of Pres. Murray were largely taken up with denunciation of alleged Communist "infiltration" the reply of the official spokesmen of the Communist Party was of particular interest. In an analysis of the convention (Political Affairs, Jan. 1949) John Williamson, labor secretary of the Communist Party, stated emphatically: "The Communist Party has not now, and has never had, a desire to intervene in the affairs of any trade union. It is the duty of all the members of the trade unions democratically to regulate their own affairs, adopt policies and elect leadership. The Communist Party is concerned with political policies that will influence the workers in the direction of advancing their struggles for a better life today as well as tomorrow."

Fur Leader Reports: An extensive analysis of the convention was made also by Ben Gold, CIO executive board member and president of the Fur & Leather Workers. He referred to the "lack of democracy at the Convention: the complete disregard for the rights of elected delegates who dared to disagree; the organized booing and hissing against them."

He objected also to the "method employed by President Murray at the Convention — ridiculing delegates who disagreed, attacking them and castigating them and publicly denouncing them as incompetent, irresponsible, etc." Gold pointed out also that in the convention the most important problems — wages, living standards, inflation, speed-up, growing unemployment — "were almost forgotten and were given no emphasis at all."

While indulging in an orgy of red-baiting and attacks on the Soviet Union it was only "after a stiff fight by the minority that the Resolutions Committee finally agreed to include paragraphs condemning fascism in Spain and the execution of trade union leaders by the government of Greece."

Order to Farm Equipment Workers: After the Convention the CIO executive board, November 27, 1948, ordered the Farm Equipment & Metal Workers to dissolve itself and turn over its membership of approximately 60,000 to the Automobile Workers within sixty days.

The executive board of the Farm Equipment union declared that the action of the CIO board and Automobile Workers officials "completely ignored the democratic rights of FE-CIO members guaranteed by our charter and our Constitution. It is a threat to the democratic, constitutional rights of the members of all other CIO International Unions. It constitutes an obvious conspiracy to destroy a duly chartered and long-standing International Union of the workers of the farm equipment industry."

This position was upheld unanimously by the 350 delegates at the convention of the union, March 25, 1949. It rejected "the dictatorial ultimatum" of the CIO executive board. Thus the CIO failed to abolish a progressive union by decree.

RAILROAD LABOR DEVELOPMENTS

The "big four" operating railroad brotherhoods are unaffiliated. These, with their latest membership figures, as reported in 1948, are Locomotive Engineers, 80,033; Locomotive Firemen, 106,534; Railroad Trainmen, 215,000; Railway Conductors, 38,329. These four operating unions thus have nearly 440,000 members.

Engineers, Firemen, and Trainmen each represent over 95% of the mileage covered by principal railroads in the United States. Conductors represent 85% of the total mileage.

Of the 16 "non-operating" unions in the rail industry, 14 are affiliated with the AFL, while the Machinists and the Train Dispatchers are independent. The Transport Service Employees (CIO) has organized station porters and the Marine & Shipbuilding Workers (CIO) has a railroad department. It is estimated that the "non-ops" represent nearly 1,000,000 rail workers.

The new Dining Car & Railroad Workers Union (independent) represents many dining car employees, both Negro and white, who were formerly members of the Hotel & Restaurant Workers (AFL).

Negro Railroad Unions: Because of discrimination against colored workers in most of the railroad unions, Negro rail workers have been compelled to form separate all-Negro unions in order to protect their

interests. The following list of such unions includes those which have come to the attention of Labor Research Association:

Assn. of Brakemen Porters (St. Louis); Assn. of Colored Railway Trainmen & Locomotive Firemen (Roanoke, Va.); Assn. of Train Porters, Brakemen & Switchmen (Richmond, Va.); Colored Trainmen of America (Kingsville, Tex.); International Assn. of Railway Employees (Memphis, Tenn.); Southern Assn. of Colored Trainmen (Savannah, Ga.). All these are unaffiliated. The Brotherhood of Sleeping Car Porters is affiliated with the AFL.

Wage Case: Railroad unions representing about 1,400,000 employees won wage increases of 15½ cents an hour effective in late 1947. An additional 10 cents an hour raise was granted operating employees, effective October 16, 1948. "Non-operating" unions after an 11-month dispute won an increase of seven cents an hour and a reduction of working hours from 48 to 40 a week, the shorter workweek to become effective in September, 1949.

Under the long-drawn out process required by the Railway Labor Act, the unions drew up their demands for wage increases and rules changes in April, 1947. The previous wage agreement expired May 25, 1947, a year after the 1946 strike was broken. Non-operating unions accepted the arbitration board's award of 15½ cents an hour in September, 1947. Trainmen and Conductors accepted the same amount, with a few minor rules changes, in December, 1947.

Three unions — Engineers, Firemen & Enginemen, and Switchmen — representing about 125,000 men, rejected the compromise and called a strike for May 11, 1948. The government stepped in as a strike-breaking agent on May 10 when President Truman ordered Secretary of the Army Kenneth C. Royall to seize control of the railroads. Justice T. Alan Goldsborough of the Federal District Court issued first a temporary and later a permanent injunction restraining the union from striking. Union chiefs obeyed the injunction and the strike was broken before it started. The three operating unions on July 8 accepted the 15½ cents an hour increase or a gain of about \$1.24 a day, retroactive to November 1, 1947. On July 9 the railroads were returned to their private owners. All operating unions then served notice that they wanted further wage increases of about 25%.

Operating unions did not win any of the basic rules changes originally demanded. These had included extra pay for night work, overtime rates for Sunday and holiday work, and longer vacations. Only seven

days' vacation with pay is now allowed even for those who have worked many years in the industry.

Between June, 1946, and January, 1949, the Interstate Commerce Commission granted the rail companies' demands for substantial freight rate increases which brought the roads \$2.9 billion a year in additional revenues. This was a rise of 52% in the 2½ year period. It covered the total wage increases about five times over.

Retirement Benefits Increased: Effective July 1, 1948, retirement and survivor benefits under the Railroad Retirement Act were increased by 20% by act of Congress. About 126,000 retired rail employees were affected at once by the new law. Nearly seven million other persons who have worked in the industry will also benefit by the increase when they become eligible to retire.

The average annuity rose from \$70 to \$84 per month and the average monthly pension (for former carrier pensioners) from \$59 to \$71. The maximum retirement benefit was raised to \$144 a month. Retirement taxes paid by both employers and employees remain the same. The measure guaranteed that each rail worker, or his survivors, will get the full amount of his pension credit either in a lump sum payment or in monthly benefits.

Rail companies by the same measure gained a reduction in their unemployment insurance taxes under the Railroad Unemployment Insurance Act. Retroactive to Jan. 1, 1948, their tax was reduced from 3% down to 0.5% by provision for a sliding scale, thus saving the roads about \$110 million a year. Rail employees do not pay any part of the unemployment insurance tax.

Nationalization Proposed: The Railway Labor Executives Association representing over a million rail workers came out on May 25, 1948, for government ownership of the country's railroads. Its resolution asked:

"That the government, moved by the present demonstration of the inability of railroad management to maintain satisfactory labor relations and conditions upon the railroads . . . begin preparations for the transfer of railroad ownership and private interests to the United States of America."

Pres. Alvanley Johnston of the Engineers and Pres. A. F. Whitney of the Trainmen, representing two unions not affiliated with the RLEA, also called for permanent government ownership and operation of the railroads.

WOMEN IN TRADE UNIONS

About one-fifth of the 16 million trade union members in the United States in 1948 were women. This means that organized women workers numbered about three million. The estimate is based on reports of the National Women's Trade Union League and on surveys of trade union members in 1946-47 in California and in Massachusetts.

In California 1,922 union locals reported to the state department of industrial relations that in 1946, 18% of their members were women. This compared with 21% in 1944 and 22% in 1945.

In unions in the woman-employing industries in California, however, the proportion of women members was much higher than the general average: in the textile and apparel industry, 75%; in hotels and restaurants, 40%; in food and tobacco manufacturing, 33%; in wholesale and retail trade, 33%. (See U. S. Women's Bureau, Facts on Women Workers, April 30, 1948.)

Special reports made by 2,005 local unions in Massachusetts to the state department of labor and industries, showed that women members numbered 167,635 in January, 1947. This was 28.3% of the total membership in those local unions.

Industry groups in Massachusetts having the largest number of women trade union members included: textiles, 33,992; metal and machinery, 30,427; clothing and garment trades, 23,156; boots and shoes, 13,300.

These California and Massachusetts reports are especially significant since for many years it has been practically impossible to obtain any accurate figures on women members of trade unions. Few unions have kept any separate record on the number of their women members.

The estimate that women make up about 20% of all trade union members in the United States is somewhat higher than the 18% reported in California but lower than the 28% reported in Massachusetts.

In Collective Bargaining: Some progress has been reported by a few trade unions in obtaining provisions calling for equal pay for equal work in union contracts. For example, in San Francisco, the Hotel & Restaurant Employees (AFL) signed four union agreements in 1947 with employers' associations representing hotels, restaurants and clubs. All four contracts contain the clause:

"The wage scales hereinafter set forth shall apply equally to male and female employees."

The Textile Workers Union (CIO) raised the minimum wage for both men and women workers to 97 cents an hour by an agreement

with northern cotton and rayon weaving mills early in 1948. A 10% wage increase, a sixth paid holiday, and improved insurance (for many members) were included in the agreement which covered all members, regardless of sex.

Certain unions, including the UE and FTA (both CIO) have recommended a non-discrimination clause to be included in all union contracts. UE recommends a clause reading: "There shall be no discrimination in the wages, hours or other terms and conditions of employment based on sex or marital status."

Good resolutions have so far had little effect, however, in bringing forward women as union representatives, in proportion to their importance as members. Neither CIO nor AFL had any woman on its national executive board in 1948.

The American Federation of Teachers (AFL) at its 1948 convention elected nine women on its executive council of 17 members. At the same convention it called for equal salaries for all teachers (having equal training and qualifications) regardless of race, color, or sex.

Women's Auxiliaries: The American Federation of Women's Auxiliaries of Labor, started in 1938, held its fourth convention in Milwaukee in May, 1948. AFL women's auxiliaries have a man, I. M. Ornburn, as their secretary-treasurer and active officer. He is also secretary-treasurer of the Union Label Trades Department.

One of the main aims of AFL auxiliaries is to promote the buying of union label goods and the use of union services. Auxiliaries bring together the wives, mothers, sisters and daughters of trade unionists.

The Congress of Women's Auxiliaries (CIO) reported at the 1948 CIO convention that it had worked for the defeat of all Congressmen who had voted for the Taft-Hartley Act; had worked for better housing, increased educational facilities, child health, and civil rights.

THE LABOR PRESS

Close to 700 newspapers and magazines are published by the American labor movement in a variety of forms, from the conventional full-size eight-column newspaper to the five-column tabloid, from newsprint to slickpaper.

The principal publications are issued by the international unions. But many more are turned out by city and state federations (AFL), by industrial union councils (CIO), and by local unions which are more and more recognizing the importance of a labor press.

Monthly magazines predominate among AFL international and rail brotherhood unions; weekly, semi-monthly and monthly tabloids dominate the CIO field.

While both city and state-wide papers are in the main owned by the collective unions comprising the council or federation, some, particularly AFL publications, are privately-owned. Still another group of "labor papers" are owned by organizations on the edge of the labor movement. They too seek to reflect the aspirations of workers.

The principal nationwide publications are the AFL's monthly *American Federationist*, the CIO's weekly *CIO News*, and *Labor*, a 4-page newspaper issued weekly by the standard railway labor organizations.

The only daily press association serving these papers is the 30-year old cooperatively-owned *Federated Press*, which airmails a file of news and features from bureaus in New York, Washington and Detroit. With a membership of more than 250 leading AFL and CIO publications, it also services subscribers with a semi-weekly mat service of cartoons and news pictures.

Allied Labor News, formed in 1941 as a foreign news-gathering organization for the U. S. labor press during the war, has become increasingly important to the labor movement since the war's end. Its correspondents report developments in their respective countries as *FP* does in the U. S. In November, 1946, *ALN* arranged for a joint distribution of its service through *Federated Press*.

Other services available to labor papers include the weekly clip sheets of the AFL and CIO and several small individually owned weekly services offering assorted features or limited news coverage to specialized sections of the labor movement. Many labor papers subscribe to monthly mimeographed services such as *Economic Notes* and *Railroad Notes* issued by *Labor Research Association*.

HEALTH PLANS UNDER COLLECTIVE BARGAINING

By mid-1948, over three million wage-earners were covered by some form of health, welfare or retirement benefit plans under collective bargaining agreements. This was more than twice the number covered in early 1947, the U. S. Bureau of Labor Statistics estimated. (See *Monthly Labor Review*, Sept., 1948.) The *Trade Union Agency* estimated that by the end of 1948 three and a half million persons were covered by such plans.

Trade unions are attempting in this way to meet some of the dangers

of insecurity facing workers and their families from wage loss and medical expense due to illness or to injury not covered by workmen's compensation. By the end of 1948 only three states (Rhode Island, California and New Jersey) had adopted sickness benefit systems for wage-earners covered by unemployment insurance. Federal legislation in this field covers only railroad workers for whom sickness benefits became effective in July, 1947.

Regulation of Plans: The National Labor Relations Board ruled on April 12, 1948, in the Inland Steel Co. case that under the Taft-Hartley Act, "employers must bargain with their employees on pension or retirement if the employees request it." The order to bargain, however, was conditioned upon the union compliance within 30 days with the filing and affidavits requirements of the Taft-Hartley law. The union involved in the case was the United Steelworkers (CIO).

Under the Taft-Hartley law, union health and welfare plans are restricted by a number of regulations. The plan must provide for a trust fund established for the sole benefit of employees, their families and dependents. Except for plans established before January 1, 1946, any plan must provide for bi-partisan joint administration, with some arrangement for a neutral person to break deadlocks. Funds for the purchase of pensions must be put in a separate trust, not to be used for any other purpose. Reactionary Congressmen who voted for the Taft-Hartley law have continued their attacks on union welfare plans. These Congressmen represent employers who oppose union benefit plans already in effect and the extension of such plans to new groups.

Recent Programs: Analyzing the 1948 health and welfare plans of some 100 unions, the Bureau of Labor Statistics reported: "The present trend is toward complete financing of the plan by the employer, or toward lowering the employee's share of the cost in a contributory plan."

Nearly 100 national and international unions, included in the BLS 1948 survey, had health, welfare or retirement benefit plans within their jurisdiction. Unions having union-wide, industry-wide or area-wide plans include the Mine Workers (independent), Garment Workers (AFL), Building Trades (AFL) and Clothing Workers (CIO).

About 450,000 workers in coal mining, at least 875,000 in clothing and textiles, and 150,000 or more bus, street and electric railway workers are covered by some type of plan under collective bargaining. In the steel industry, about 138,000 workers are covered in over 300 contracts;

about an equal number are covered in agreements of the Electrical Workers (CIO).

Other industries in which large numbers are covered by some form of health, welfare or retirement benefit plan under collective bargaining are: building trades, rubber, office and professional workers, paper, furniture, shipbuilding, utilities, retail and wholesale trade, fur and leather, cleaning and dyeing, hotel and restaurant, telephone and telegraph, playthings and jewelry.

Most of the plans created under collective bargaining are financed entirely by the employer, the BLS found, either through contribution of a certain percentage of payroll or by outright purchase of insurance policies. Percentage of payroll contributed is usually 2% or 3%, sometimes more.

Weekly disability benefits are usually based on the employee's average weekly earnings and range upward to as much as 60% of his regular pay. Most benefits start on the 8th day in case of illness and on the first day in case of accidents. Unions now propose that the waiting period for illness be shortened. Benefits generally run for 13 to 26 weeks (6 weeks for pregnancy.) The Upholsterers' (AFL) plan allows continuous coverage for 52 weeks.

Mine Workers' Plan: Established in 1948, the United Mine Workers' Plan is financed by company contributions paid into special bituminous and anthracite coal funds. Payments are based on a flat contribution of 20¢ for each ton of coal produced "for use or for sale."

The bituminous industry plan is intended eventually to guarantee to some 400,000 soft coal miners and their families full medical and hospital service without cost to themselves. The fund from which benefits are paid is expected to total \$100 million a year. From this fund pensions of \$100 a month are paid to retired miners, 62 years old or over, in addition to the small Social Security benefit to which they may be entitled from the government after age 65.

By the end of 1948, benefits were granted to about 75,000 miners too old or too ill to work, to the families of deceased miners, and to those in need of specialized medical service. It is planned to use private physicians and local hospitals as much as possible.

The anthracite health and welfare fund began to pay pensions of \$100 a month to hard coal miners in September, 1948. The plan covers some 80,000 hard coal miners. In addition to pension payments it includes a death benefit of \$1,000 for the miner's survivors. The fund is also

financing research on anthra-silicosis, a lung disease prevalent in the industry.

FARMER-LABOR RELATIONS

A new development during 1947-48, induced by the soaring cost of living, brought industrial workers and farmers closer together in various parts of the country. A number of union-run cooperative markets and stores were established to sell food at lower prices. Fresh produce was bought directly from farmers and sold to consumers at cost.

In Newark, N. J., the CIO Council in September, 1947, organized weekly sales direct from farmers' trucks at factory gates. Representatives of the New Jersey Farmers' Union sold their produce for about double what they got from wholesalers, and consumers paid half rates. Farmers from Vineland, N. J., for example, brought truckloads of tomatoes and other produce to the Westinghouse Electric Corp. plant and sold them to members of Local 426 of the Electrical Workers. Tomatoes sold at 2 cents a pound; peaches at 3½ cents a pound.

In Chicago, Automobile Workers, Packinghouse Workers, and Steelworkers (all CIO) opened co-op stores. In St. Louis, the Retail, Wholesale & Department Store Employees established a co-op for its members on strike in the St. Louis area. In Schenectady, N. Y., Electrical Workers, Local 301 (CIO) offered eggs and other food at bargain prices, by an arrangement for obtaining produce through a farmers' co-op in the area.

UE locals in Minneapolis, Minn. signed an agreement with a large market for a markup of only 8% on wholesale prices of all foods. At El Segundo, Calif., AFL, CIO and other groups launched a co-op jointly with farmers in the area to make produce available at lower prices. In southern California, union workers employed in aircraft plants started the Centinela Valley Emergency Committee and opened a co-op on one of the principal highways leading into Los Angeles. Farmers sold poultry, eggs and other produce directly to the consumer.

The Sunshine Producers Co-op in Lakeland, Florida, was organized to sell citrus fruits and vegetables to trade unionists. It included 160 producers, owning 50 acres or less, and sold to UAW locals in Detroit and to rubber workers' locals in Akron, Ohio.

Most unions accepting the need for farmer-labor understanding and cooperation recognized, however, that these union co-op stores were

not permanent ventures. If living costs dropped substantially, such emergency measures would disappear.

Reciprocal Action: More permanent in promoting farmer-labor relations is the help sometimes given by farmers when workers are on strike and the reciprocal action by grateful unions. During the long strike of Automobile Workers Local 180 against the J. I. Case Co. (1946), the Wisconsin Farmers Union gave the local strong support. In appreciation the UAW local in July, 1947, contributed \$1,000 to the farmers' union building fund to construct a state headquarters.

Another outstanding demonstration of farmer-labor solidarity in 1948 was given by California growers who contributed tons of fresh vegetables, dried and fresh fruits and cases of eggs, and also money to the striking maritime workers (ILWU-CIO) and also to the Oil Workers (CIO). Farmers selling at the San Francisco Farmers Market contributed produce daily. This market, now in its sixth year, became an official part of the City of San Francisco through joint efforts of farm, civic and labor organizations. It sells fresh and dried fruits, vegetables and honey direct from farmer to consumer. In contrast to temporary markets set up by labor unions during the high-price periods of 1948, a city-run farmer-consumer market establishes a constant medium for checking and holding down unjustifiable retail prices.

In Ottumwa, Iowa, in April, 1947, 190 local farmers took advertising space in the local newspaper to thank local unions for helping them win a strike. The Ottumwa Milk Producers Cooperative conducted an effective four-day strike against four dairies in protest against a price cut on their milk. All shipments were stopped except for an agreed-upon amount to one dairy to meet local hospital needs. The farm relations department of the Packinghouse Workers (CIO) and the Teamsters' Union (AFL) took the lead in supporting the strike and helping to bring about a satisfactory settlement.

The National Farmers Union through its board of directors in March, 1948, voted full support of the CIO Packinghouse Workers strike. The board called on all farmers to keep livestock off the market immediately before the strike date and as long as the strike lasted. It demanded that the packers "negotiate an adequate wage increase to provide for the needs of their employees out of their excessive profits and without reduction of prices paid to producers or price increases to consumers."

The Farm Equipment Workers (CIO), pioneers in the field, continued its farm relations department with Homer Ayres as director.

His weekly farmer-labor column is carried by Federated Press and other farm and labor papers. As farm prices broke, the union launched a campaign to gain support in labor's ranks for federal farm price supports for family farmers, at not less than 100% of parity.

In a pamphlet entitled *To the Farmer — From His Customers*, the CIO in 1948 called for cooperation between trade union members and farmers in order to improve the living standards of all groups. "Labor's pay is fundamental to both labor and the farmer," the CIO points out. The pamphlet analyzes recent price increases on factory-made goods the farmer buys and states that only a small portion of those increases can be attributed to wage increases.

Other California Developments: The California State Federation of Labor has worked officially with farm organizations since 1943. Joint legislative campaigns have been carried on especially to promote reclamation projects recognized as beneficial to both groups. At the State Federation's 1948 convention held at Long Beach, George Sehlmeier, Master of the California State Grange, an invited speaker, said:

"In the Legislature of California the State Grange has enjoyed the cooperation and support of the State Federation of Labor in getting much progressive legislation through for agriculture . . . In promoting the great Central Valley's project . . . we have had the full support of the State Federation of Labor . . . We find that the payroll of industrial labor and the income of American agriculture are never far apart. When one sinks, the other goes down."

A resolution passed at the same convention recommended to all affiliated central bodies in rural areas establishment of "Farm Committees to serve as a liason between farmers and organized workers and to bring together these two great groups for their mutual welfare."

ASSOCIATION OF CATHOLIC TRADE UNIONISTS

The Association of Catholic Trade Unionists (ACTU) was formed in 1937 by a group of Catholic trade unionists under the guidance of a priest acting under the direction of the Vatican. The basis for its foundation was a section of the encyclical issued by Pope Pius XI, "Quadragesimo Anno," published in 1931. An earlier papal encyclical (*Rerum Novarum*, 1891) had proposed that Catholic workers be organized into Catholic unions as a way to combat the growth of the Socialist movement and to carry out Catholic teachings. However, the fact that most workers did not join the Catholic trade unions led Pope

Pius to propose that "side by side with these trade unions (those under Socialist or Communist leadership), there must always be associations which aim at giving their members a thorough religious and moral training . . ."

In addition to the ACTU, various workers schools have been established in the United States by the Roman Catholic Church and its agencies which have a similar "boring-from-within" approach to the trade unions. Selected members of the clergy have set themselves up as advisors and directors for Catholic and non-Catholic members of unions; their role is similar to that of ACTU. One such priest wrote to a union member: "Please forward to me the names and local numbers of right-wing delegates. It is essential that they be known and united."

The articles of federation of ACTU provide that "All members of the ACTU shall be Catholic and the Catholicity of members shall be determined by the Chaplain of the chapter." Membership is not limited to trade union members. In addition to the chaplain appointed by the bishop of the diocese, there are priest-members; lawyers also are allowed to belong when they devote time to labor activity.

While the ACTU is officially not an arm of the Catholic Church, according to the Labor Leader (March 28, 1947), the chaplain of the Detroit chapter serves as an ex-officio member of all committees, receives all financial reports, and in the event of "insoluble dispute," the Archbishop is "the final determinant."

The ACTU approach to the problems of workers is one of complete class collaboration. Part of its program calls upon the worker to "cooperate with decent employers. . . ." It further urges guilds or industrial councils from the shop to the national level "for the self-regulation of industry and producers' cooperatives in which the worker may share as a partner in the ownership, management, or profits of the business in which he works."

Its wage policy is based primarily on "ability-to-pay," with its central point profits-sharing. At its 1948 convention, it pressed for the recognition by labor and management of the "solid moral and financial value of profit-sharing plans." While it also condemned incentive plans, it has approved specific incentive plans, particularly those which provide for group incentives "as a means of developing a cooperative spirit between worker and worker and between worker and employer."

The 1948 convention of ACTU called for the repeal of the Taft-Hartley law but also supported President Truman's program to curb the

unions. At first opposed to political action, the ACTU at its 1948 convention declared that because of the "nationwide character" of certain issues, political action should be taken so long as it is "not of class-war origin." It attacked the formation of the Progressive Party as "divisive" and a "front for American Communists."

In 1948 ACTU gave its support to the Marshall Plan and further urged that members of the army of the reactionary Polish General Anders, who refused to fight the Nazis, be granted assistance as "displaced persons."

The primary emphasis of the ACTU has been on fighting Communism. For example in the 1945 rank-and-file strike against Pres. Joseph Ryan of the Longshoremen's Union (AFL) *Fortune* (Nov., 1946) quoted the head of the ACTU's New York chapter as stating: "When it became clear that the choice was between Joe Ryan and the Communists, our members in the Longshoremen's Association went back to work." The Chamber of Commerce of the U. S. in its anti-labor campaigns has recommended that employers read the ACTU papers which "show a keen perception of the Communist issue."

There are at least 10,000 members of ACTU in seven chapters throughout the nation, in addition to the labor schools which serve as centers of Catholic trade union activity.

Pres. Daniel Tobin of the Teamsters (AFL), a life-long Catholic, expressed himself as opposed to the organization, declaring that "a labor movement divided along religious lines cannot survive." (*New Republic*, July 28, 1947.)

A series of articles in *The Protestant* in 1947 described how the ACTU has operated in unions, notably in the New York chapter of the Newspaper Guild. The author, Thomas Bledsoe, charged that the function of the ACTU "is to disrupt the trade union movement and to substitute a guild system similar to that of feudal times."

VI. LABOR LEGISLATION AND STRIKES

LABOR MANAGEMENT RELATIONS ACT OF 1947

The drive to destroy the National Labor Relations Act of 1935 (Wagner Act) and to weaken labor through federal legislation (described in Labor Fact Book 8) culminated in the passage of the Labor Management Relations Act of 1947 (Public Law 101, 80th Congress) on June 23, 1947.

It was called the Taft-Hartley Act after Sen. Robert A. Taft (R., Ohio) who sponsored it in the Senate and Rep. Fred A. Hartley, Jr. (R., N. J.) who sponsored it in the House. It was enacted over President Truman's veto by a vote of 68 to 25 in the Senate, 331 to 83 in the House.

This measure was submitted to Congress as an amendment to the National Labor Relations Act. It was represented to the public as a vehicle to improve industrial relations, to provide additional machinery for effective settlement of disputes, and to "equalize" the relative bargaining rights and legal responsibilities of both employers and employees.

To gain popular support for the bill, it was introduced in the midst of a storm of red-baiting and anti-labor propaganda promoted mainly by the National Association of Manufacturers and allied groups. These reactionaries even attempted to deceive labor into believing that workers had most to gain from the bill.

While Senator Taft declared quite openly that it "covers about three-fourths of the matters pressed upon us very strenuously by the employers", the NAM stated, more subtly, that "the Taft-Hartley Act is full of benefits for the working man".

Labor as a whole bitterly condemned the Act. The officers of all 105 AFL affiliates denounced it as "a slave measure, un-American, vicious and destructive of labor's constitutional rights". The CIO executive board said it was part of a "coordinated program to destroy the living standards of our people for which the zealots in the Republican and Democratic parties share the responsibility."

Provisions of the Act: Main provisions of the Taft-Hartley Act included the following, as they affected:

A. Union security: (1) Made the "closed shop" illegal; (2) Allowed a

union to negotiate for a union shop only after approval, in a special election, by a majority of the workers in the shop; granted a 30-day period to new employees in a union shop before requiring them to become members; (3) Permitted a checkoff for payment of union dues only on actual written authorization by the individual employee; (4) Denied union representation to professional people and guards, and withdrew protection from supervisors for union activity; (5) Gave precedence to any state law that forbade union security or imposed additional restrictions, even though all requirements of the federal Act were met.

B. Strikes and collective bargaining procedures: (1) Required a union which had a collective bargaining contract with an employer to give notice of a strike, and to allow a 60-day "cooling off" period to elapse before calling the strike; (2) Set up numerous hurdles to any union attempt to obtain exclusive bargaining rights in a plant; (3) Consented to the filing of petitions for bargaining by individual crafts within an industry; (4) Compelled an employer to meet and bargain with a union, but did not obligate him to make any concessions.

C. "Conduct" of employers and unions: (1) Granted an employer the right to engage in "free speech" with his employees regarding union affairs, so long as "such expression contains no threat of reprisal or force or promise of benefit"; (2) Prevented unions from freely soliciting membership and from mass picketing, under liability of a charge of "unfair labor practices" of "coercion or restraint"; (3) Outlawed jurisdictional strikes and secondary boycotts. (4) Banned contributions or expenditures by unions for political purposes.

D. Administration and rules of compliance: (1) Enlarged the National Labor Relations Board from three to five members, and prescribed such changes in the functions and operations of the Board as would impede effective and impartial administration; (2) Vested total prosecuting powers in a General Counsel with virtually complete control over the Board's attorneys and field offices; (3) Required as a primary condition for using the facilities of the NLRB the filing by a union with the Department of Labor of reports on officers, financial status and other internal union affairs; (4) Demanded as a further condition for certification that every union officer file with the Board a non-communist affidavit; (5) Removed the Conciliation Service from the Department of Labor and transformed it into an independent Federal Mediation and Conciliation Service.

E. New "rights" of employers: (1) Provided for the use of injunctions against unions to restrain "unfair labor practices" and strikes which allegedly affect the national health and safety; (2) Permitted law suits against unions for damages resulting from "unfair labor practices"; (3) Granted an employer the right to petition for a bargaining election on behalf of a company union which he himself had organized; (4) Declared that union welfare funds must be under joint employer-employee supervision.

The law also forbade strikes by employees of the federal government. Many provisions of the Act were extremely vague (like the one dealing with injunction processes) and required future clarification by NLRB ruling. In addition, many features of the law, particularly those prohibiting political spending and the use of a secondary boycott, were believed by some to be unconstitutional, and were subject to tests in the courts.

Aim of Employers: Counting on the threats and intimidation implicit in the Act, employers expected unions henceforth to become uneasy over job security and fearful of presenting their legitimate demands.

By reviving injunctions, plus the power to bring suits against unions, the employers hoped to smash labor's right to struggle and to gradually deplete union funds.

They aimed also to divide the labor movement against itself. By setting up a standard of non-communist "purity" within unions as a test for meeting NLRB requirements, they hoped to provoke raiding by "complying" unions against those who wished to remain outside the scope of the Board.

Finally, they hoped that in many industries bona-fide trade unions would be supplanted by old-type company-dominated unions.

The "New" NLRB: In pursuit of these aims, employers found a more than willing ally in the new National Labor Relations Board. Under the Wagner Act the Board performed definite administrative functions that were limited in scope. Now the Board assumed sweeping powers of prosecution and adjudication.

To the three members of the Board, President Truman added a Republican, J. Copeland Gray, an industrial relations consultant for business interests, and Abe Murdock, a former Democratic Senator of Utah.

For the position of General Counsel a Missouri Republican, Robert

N. Denham, was appointed. He had been a lawyer, specializing in the liquidation of banks.

A distinct pro-employer attitude was revealed by the Board in permitting employers to exercise their new right of "free speech" to the point where the most open interference in union elections went unchallenged. At company-held meetings, which employees were obliged to attend under threat of dismissal, the greatest latitude in criticism, condemnation and even slander of labor organizations was tolerated.

The Board's action on charges of "unfair labor practice" also indicated its one-sided character. During the first nine months of the law's existence, a total of 1,299 such cases were received. Of these, 989 against management, were all handled in the order they were received. But of the other 310 cases, filed against labor, 109 were given priority by the Board.

The Board and its General Counsel were also quick to obtain injunctions in response to employer demands. For the first 13 months of the new law, the Board sought injunctions in 31 cases, of which 29 were against unions; two were against employers, and one of these two was denied by the court.

A striking feature of the new Board's behavior was its attempt to extend its jurisdiction into intra-state or local operations. Under the Wagner Act, authority over such concerns had been disallowed.

Filing for NLRB "Certification": Union "certification" by the Board meant that the union held a majority of employees in a shop. This did not, however, compel an employer to bargain with that union. Similarly, non-filing of the necessary affidavits did not disqualify a union from bargaining with an employer.

When the question of filing came before the 1947 conventions of the two major labor bodies, division on the course to pursue became evident among top union leaders. The AFL convention voted, finally, in favor of compliance with the Board, while the CIO leadership decided to permit each of the affiliated unions to take whatever action it deemed best.

The non-communist affidavit as a prerequisite to obtaining Board services was in general accord with the red-baiting hysteria that engulfed the country when the law was passed. Some people liked this provision as freeing union leaders from a "subversive" stigma. Others, however, saw clearly its real purpose. James M. Shields in resigning as director of the Board's 18th region, stated: "Of course, you and I well know that

the people whom the makers of this law are really after aren't just the Communists as such, but all the able, progressive guys holding office in democratic labor unions because they have the guts to fight effectively for the welfare of their membership."

Gerhard P. Van Arkel, former General Counsel of the Board, who resigned a few days after the Act was passed, summed up the role of the NLRB when he declared the Act was "valueless to organized labor", while the new Board was actually "a strikebreaking instrument in the hands of the employers".

Many unions, including the Typographical Union (AFL), the Mine, Mill & Smelter Workers (CIO) and the Steelworkers (CIO) refused to file, preferring to remain outside the scope of the Board's authority.

The United Electrical Workers (CIO), explaining its refusal to submit to the Board, declared that its officers would otherwise be directly violating their obligation as officers and members: the UE constitution permits no discrimination on account of political beliefs or affiliation.

The UE also cited the briefs of Steelworkers (CIO) lawyers in the Inland Steel case which had attacked the non-communist affidavit, calling that provision of the Act "a direct assault upon the rights of officers of labor organizations to freedom of expression and freedom of political activity" The UE statement concluded that the Taft-Hartley Act as well as the Board "are poison for the working people. The non-communist affidavit is the employers' device to trap the workers and their unions into taking the Taft-Hartley poison."

Union Security: Employers were quick to learn how the anti-labor features of the law could be used in attempts to destroy some of the basic rights that working people had come to enjoy during the previous decade. They discovered that they could meddle, without fear of penalty, in such strictly union affairs as elections and choice of bargaining representatives. The law required that, upon petition of 30% of the employees involved, a new representation election would have to be held. This encouraged many employers to hire scabs, company stooges and open anti-union agents, whom they organized to vie for certifications against established bona-fide unions.

Such employment of anti-union elements was strictly legitimate under the Act. While a union could drop them from membership, it could not have them dismissed from the plant. This was in sharp contrast to another section of the Act which permitted an employer to fire a union man for "cause".

Under a provision of the superseded Wagner Act, an employee could not be discharged for union or strike activity, and if he were, he was assured of receiving back wages upon reinstatement.

The Taft-Hartley Board, however, in its rulings on the section that permitted dismissal for "cause", upheld the firing of active union members on the flimsiest pretexts.

Very few workers, previously laid off because of union activities, were rehired with back pay. During the first year of the Act, such workers collected only \$29,740 in back pay compared with \$1,105,000 in the last year of the Wagner Act.

Union organization problems increased. Strikes called for organization purposes rose from 13.6% during the first half of 1947 to 17.2% in the second half, after passage of the Act.

In the meantime, the new NLRB had, as of June 1, 1948, decertified 50 bona-fide trade unions and, in the same period, certified as many as 442 so-called "independent" unions.

Many employers, refusing to bargain, fought the union through the NLRB, knowing that they would delay at least a year before handing down their decision. Meanwhile, the employers set about to delude their employees that they would be much better off without a union. Frequently, by the time the case was decided, such employees would find that a petition to decertify the union had already been filed with the Board.

In many industries, the revival of union shop issues resulted in a greater degree of labor unrest. This was particularly true in maritime and building trades where rapid labor turnover rendered the 30-day waiting period for new employees inapplicable. It also hit hard at miners and typographical workers with long-established patterns of union shop security.

A disturbing feature of the new Act—not only to labor but even to some representatives of management—was the opening provided for individual craft bargaining units. In two major CIO unions, Steelworkers and Electrical Workers, the NLRB favored attempts by craft groups to split away from parent industrial bodies, thus provoking considerable factional strife.

In the course of its rulings on union practices, the Board evolved a special theory of union responsibility for its members' actions. Under the anti-injunction act (Norris-LaGuardia), unions could not be held responsible for indiscriminate acts of individuals, without clear proof

of union authorization. However, under the new law, the Board saw fit to charge unions with responsibility for overt acts of any part of their membership. Some employers exploited the new policy by getting their own plant stooges to provoke wildcat strikes, after which they filed damage suits against the unions.

"Unfair Labor Practices": During the year and a half following enactment of the Taft-Hartley law the NLRB issued many rulings attempting to define the term "unfair labor practices". It soon became apparent that there was developing an increasingly comprehensive view of "coercion" or "restraint".

Mass picketing was practically banned as employers were permitted to discharge workers who participated in it. Union members who refused to cross picket lines set up by their fellow workers outside their own plant were subject to charges.

Employers now moved rapidly to file charges with the Board on the basis of the slightest disorders or show of militancy on the picket line. Upholding these charges, the Board and General Counsel went so far as to find unions guilty even of "coercing" their own members. In a case involving the International Typographical Union, a trial examiner charged the existence of this "intra-union coercion" because the union insisted that the members of one local adhere to the generally accepted bargaining program of that union.

One NLRB ruling outlawed the secondary boycott completely, regardless of its nature or motivation. In the case of Sealright Pacific, Ltd., a striking AFL union was enjoined from picketing trucks handling its employer's products, as this action was held tantamount to a secondary boycott. In rendering this decision, a U. S. Court of Appeals declared that the Taft-Hartley statute "has in effect banned picketing when utilized to conscript in a given struggle the employees of an employer who is not himself a party to the dispute."

In its initial report a minority of the Joint Congressional Committee to study the workings of the Act stated: "The existing sweeping prohibition against secondary boycotts is restricting legitimate trade-union activities. It compels unions to contribute to their self-destruction and bars them from taking effective action against secondary employers whose resources are being utilized to defeat union bargaining demands." (80th Cong., 2nd Session. Report No. 986, Part 2, April 1, 1948.)

On the subject of "coercion", the report declared: "The enlargement of the meaning of coercion . . . confirms the fear that this provision . . .

would provide a weapon for improper interference with labor's legitimate concerted activities".

In a case arising out of the endorsement of a Congressional candidate by the CIO News, the ban on expenditures for political purposes was declared unconstitutional by Federal District Judge Moore, in March, 1948. The Congressional minority report called for "immediate repeal of this prohibition against union political activity to prevent the continued invasion of constitutional rights."

Use of Injunctions: One of the worst aspects of the Act, from labor's viewpoint, was the revival of the injunction, thus giving employers a new base for carrying on their anti-union activities. Under the old Norris-LaGuardia Act, workers had been protected from the use of this weapon.

The Act provided for three types of injunctions. Where the NLRB issued a complaint alleging an unfair labor practice against either a union or an employer, the Board could simultaneously obtain a so-called "discretionary" injunction to restrain this practice. But, where the Board or any of its field representatives, prior to the issuance of a complaint, had reasonable cause to believe that a charge was true, issuance of an injunction became "mandatory". This type applied only to unfair labor practices by unions.

In disputes involving industries vitally concerned with the public health or safety, the U. S. Attorney General was empowered to obtain a "national emergency" injunction. Such an injunction was used against the Mine Workers, and also against the Electrical Workers (CIO) in an atomic energy dispute. The officers' report to the 1948 CIO Convention declared that this type of injunction "makes second class citizens of workers in our essential industries precisely because they are so important to the economy."

Employers learned to rely quite heavily on the NLRB for the taking out of injunctions. As soon as the Board would issue a complaint, they sought to have the General Counsel obtain an injunction. On many such occasions they met with quick success; if they failed, however, they were still able to use the complaint to get an injunction from a local court. Many employers went directly to a court without determining whether or not the injunction they obtained would be upheld by the Board.

In actual practice, issuance of a temporary injunction by the Board, pending final determination of the dispute, played directly into the

hands of employers. This kind of "mediation" amounted to settling the controversy on the employer's terms for an indefinite period.

One of the most unfair features of the injunction procedure was the denial to unions of the right to defend themselves against injunctive action taken by the General Counsel. In other words, labor unions were adjudged guilty until a future hearing might prove them otherwise.

The Board and the General Counsel tried to make injunctions as broad and repressive as possible. As a result, those anti-union provisions of the bill relating to strike procedures and "coercion" on the picket line, were greatly expanded in scope.

Lawsuits Against Unions: The Act made the unions liable to damage suits. In some cases triple damages were imposed on unions for engaging in "unfair labor practices", viz. a Board "cease and desist" order, a temporary injunction, and a suit for damages.

Employers lost no time in filing claims for alleged damages. During the first seven months of the Act, lawsuits involving over \$15 million were filed against unions.

In a strike led by the Oil Workers (CIO) more than 30 damage suits were instituted against the union for damages in excess of \$30 million. These were in addition to 25 or more local court injunctions against the union, one Board injunction and some 2,000 contempt charges. In the words of the CIO counsel's report to the 1948 Convention: "The union (Oil Workers) was under a barrage of legal attacks, designed to destroy that particular union".

State and Police Violence: One of the most shocking results of the Act was the increase in police violence and brutality. Between December, 1947, and December, 1948, state police were used against strikers on seven different occasions. In April, 1948, in a strike led by the United Packinghouse Workers against the Cudahy Packing Co., the employer used police violence against strikers.

Police officials even attempted to intervene peaceably in labor disputes in ways calculated to aid employers. Local 303 of the United Furniture Workers, for example, discovered members of the Indiana State police attending union meetings and taking notes of proceedings. This was brought to the attention of the state court, after which an injunction was granted forbidding its continuance.

State executives in many states, acting on employer demands, called upon their police to break up strikes, and the courts issued injunctions banning specific union practices.

Increased Role of Government: A further development was the increasing intrusion by Congressional committees into labor-management disputes. This new pattern of governmental interference was aimed directly against the interests of unions.

The most aggressive body, in this respect, was the House Labor Committee. Having pushed through the Act with the aid of the un-American committee, this group set out to convince the public that the Act was a good one. They then proceeded to intervene in all sorts of labor controversies to discredit the loyalty and integrity of unionists. The committee turned itself into a smearing, witch-hunting body, conducting its hearings in an atmosphere which suggested that workers were virtually guilty of treason.

One of the most amazing displays of partisan interference by an elected legislator occurred in a dispute involving the Typographical workers. Here, Sen. Robert Taft, then chairman of the Senate Labor Committee, at the behest of the newspaper publishers, openly exerted pressure on the General Counsel's office to bring contempt proceedings against this union. This was done August 25, 1948. (See pamphlet, *Why Was the International Typographical Union Held in Contempt of Court?*, issued by I.T.U. Feb. 3, 1949.)

Another Congressional body which expanded its operations in this direction was the House Expenditures Committee. This group, headed by Rep. Clare Hoffman (R., Mich.) conducted a number of hearings on union affairs in order to break strikes. During a prolonged strike of the Packinghouse Workers, the Committee held hearings in the Middle West, in an atmosphere openly favorable to the employers.

Union Raiding: As the employers had hoped, the Taft-Hartley Act gave a spurt to union raiding. As a result, frictions that were already rife among various labor groups over differences in trade union philosophy and in economic and political practices, became even more intense on the question of submission to NLRB requirements. Many AFL and CIO international unions soon found that after filing the necessary reports and affidavits, they were able to move into areas formerly under the control of non-complying unions.

Further, with the help of decertification elections and other Board procedures, huge chunks of additional membership could be grabbed off from complying and non-complying unions alike. Among unions which indulged in raiding were Teamsters (AFL), Electrical Workers (AFL), Paperworkers (AFL), Seafarers (AFL), Auto Workers (AFL and

CIO), Shipbuilders (CIO), Oil Workers (CIO), Steelworkers (CIO), Utility Workers (CIO), and Machinists (Ind.). These unions, in turn, were sometimes raided by one another.

Such raiding practices helped to destroy union consciousness and solidarity among workers. When elections were called for by "raiders", non-complying unions, lacking permission to appear on the ballot, often requested their members to cast a "no-union" vote, so as to prevent losing their certification. As a result, "no-union" votes, which emerged in a steadily increasing number out of such tests, won out during the third quarter of 1948 in as many as 27% of all representation elections.

Failure of the NLRB: One of the major aims of the new law was the creation of an all-powerful NLRB which could dictate to unions what they could and could not do. The Board exerted great pressure toward destroying union consciousness among American workers. Despite this, in fully 98% of all union-shop elections, employees voted in favor of negotiating union security contracts.

In the meantime, a large number of employers filed hundreds of petitions for new representation elections. This, together with the indiscriminate filing of "unfair labor practice" complaints and the great number of scheduled union-shop elections, plus the addition of new cases arising out of the Board's enlarged jurisdictional view, resulted in a huge backlog of cases.

Between August 22, 1947, and February 29, 1948, this backlog increased from 3,933 cases to 9,500. By the end of April, 1948, it had reached almost 15,000 cases, declining, however, to 6,110 by December 31, 1948, as the five-man board disposed of cases more rapidly. In the first year under the Act, the Board received an all-time high of 36,735 cases. The highest before that was 14,909, in the previous year.

As late as October 31, 1948, 623 cases filed by unions under the old Wagner Act had not yet been acted upon by the Board. In commenting on this situation, the Minority Report of the Joint Congressional Committee declared that "the increasing backlog of Board cases . . . is seriously delaying the expeditious settlement of disputes". This report also criticized the Board's practice of holding a tremendous number of union-shop elections, and stated that these "have resulted in an extravagant waste of taxpayers' money". The results of these elections "establish the fact that the American worker is not opposed to union security agreements as claimed by the sponsors of the Act".

Labor Successes in Fighting the Act: The fact that some unions, operating outside the scope of the Board, were able to negotiate bona-fide union security contracts was perhaps the most notable success of labor in combatting this law.

This basis for this success was rank-and-file strength in support of commendable leadership. In convincing employers of this solidarity, both on and off the picket line, these unions demonstrated the wisdom of reaching direct agreement.

An employers' information service wrote: "Boycott of the Board is possible. Unions can get along without the Board's services. A system of card checks and elections held by impartial third parties can be substituted for NLRB elections; in place of NLRB and court orders against an employer, a union can use its economic pressure and strikes."

The kind of union shop won by non-complying unions covered the check-off not only of dues but also of initiation fees, fines and assessments. Where an employer refused to grant a union shop, some unions were successful in getting him to agree to a full set of "non-discrimination" principles equivalent to the union shop.

Non-complying unions also succeeded in practically all cases in obtaining substantial wage increases. While unions that complied with the NLRB settled, on the average, in 1948, for a wage rise of five cents an hour, those that fought established a pattern of 13 cents an hour.

Concerted activity by virtually all of labor's millions resulted in complete repudiation of the Act on Election Day, 1948. Throttled by restrictions against customary political spending, trade unions created special political funds consisting of outright contributions by individual members, to finance their all-out campaign for repeal. Labor overwhelmingly opposed candidates who had voted for the Act while electing many Congressmen pledged to its repeal.

Moves to Repeal: As the 81st Congress convened in 1949, organized labor urged enactment of a "two-package" program calling for outright repeal of the Taft-Hartley law, and restoration of the Wagner Act. Such a measure was introduced by Rep. Vito Marcantonio but died because of insufficient support.

On January 29, 1949, the Truman Administration offered a "single package" bill which included some of labor's demands. This bill proposed a modified Wagner Act, retaining bans on jurisdictional strikes and "unjustifiable" secondary boycotts, reserving the power of the NLRB to obtain injunctions against such practices, and continuing

the Presidential right of intervention in disputes affecting the national health and safety.

After hearings on this measure were held by Senate and House committees, it was reported on favorably by Democratic majorities in both bodies. Sen. Taft and other Republican legislators threatened to "amend the bill to death" when it came before the full Senate and House.

STATE ANTI-LABOR LAWS

Reflecting the anti-labor sentiment of the 80th Congress, 30 state legislatures enacted laws in 1947 designed to curtail or restrict union activities. These were often referred to as "little Taft-Hartley Acts."

Such state laws included bans on union security provisions, mass picketing, secondary boycotts and jurisdictional strikes; requirement for registration of unions and filing of reports; and clauses prohibiting or delaying strike action in certain industries. In some states, restrictions were even more severe than those of the Taft-Hartley Act.

"Right-to-work" constitutional amendments or bills outlawing the closed shop or the union shop were adopted in Arizona, Arkansas, Georgia, Iowa, Maine, Nebraska, North Carolina, North Dakota, South Dakota, Tennessee, Texas, and Virginia. Union security contracts were regulated in New Hampshire and Massachusetts.

Laws restricting or regulating picketing were passed in Colorado, Connecticut, Delaware, Georgia, Michigan, Missouri, North Dakota, Pennsylvania, South Dakota, Texas, Utah and Virginia.

Five states—California, Iowa, Michigan, Mississippi, Pennsylvania—prohibited jurisdictional strikes, while eleven outlawed the secondary boycott—California, Delaware, Idaho, Iowa, Minnesota, Mississippi, North Dakota, Oregon, Pennsylvania, Texas and Utah. In California, a wartime ban on secondary boycotts, known as the "hot cargo law," was made permanent.

Strikes by public employees were forbidden in Michigan, Missouri, New York, Ohio, Pennsylvania and Texas. In addition, strikes in public utilities were restricted by law in eleven states.

Limitations on the union check-off and establishment of the right to bring suit against unions were enacted in a number of states.

The most comprehensive of all state laws was adopted by Delaware which decreed, in addition to its many restrictions, that unions must register with the secretary of state and file certain financial reports. This

act was characterized by organized labor as "the most vicious piece of anti-union legislation in the country". (Business Week, Dec. 11, 1948).

In Michigan, an omnibus bill was passed in 1947 containing two unusual features. Known as the Bonine-Tripp Act, it prohibited, among other things, strikes in public utility and hospital disputes, substituting compulsory arbitration. Also it permitted employers to call strike votes in their plants and to employ all forms of propaganda in an attempt to turn employees against their union leadership.

In September 1947, organized labor began to challenge head-on the constitutionality of certain clauses in state labor acts. The initial test case was conducted by the CIO against the union security provisions of the Florida law. Thereafter, many other state laws were made subject to court tests by both CIO and AFL, including the Bonine-Tripp Act in Michigan.

During 1948 few legislatures were in session and hence little new anti-labor legislation was enacted. In Louisiana, an anti-union statute passed in 1946 was repealed.

Concerted labor activity aided voters in Maine, Massachusetts and New Mexico to defeat, by referendum, proposals placing restrictions on union security. In Arizona and North Dakota, meanwhile, anti-labor laws previously enacted were approved by ballot.

Court Orders: In a highly important labor ruling, the U. S. Supreme Court, January 3, 1949, upheld the closed shop ban in three states—Arizona, North Carolina and Nebraska. Approval of these statutes in the latter two states was unanimous, while in the Arizona case, Justice Murphy was the lone dissenter. Justice Rutledge, in concurring with the Arizona and Nebraska decisions, entered reservations pertaining to certain special applications of the closed shop prohibition.

The majority opinion of the justices declared they found nothing in the language of the state laws to "indicate a purpose to prohibit free speech, assembly or the right to petition." Nor did they find anything to support the charge that the state laws "deny equal protection to unions as against employers and non-union workers."

In state court decisions, during 1948, an anti-picketing statute in Pennsylvania was invalidated, while workers' rights in Texas, previously taken away by anti-picketing and anti-boycott acts, were restored.

A Wisconsin law barring public utility strikes was branded "thoroughly unconstitutional" by Circuit Court Judge Alvin Reis, who maintained that utility workers were forced by this act into "involuntary servitude"

and were deprived of their liberty without due process of law. (Federated Press, March 15, 1948.)

In a ruling on the Bonine-Tripp Act, the Michigan Supreme Court held unconstitutional a clause permitting circuit court judges to serve on compulsory arbitration panels in public utility disputes, but left undecided the legality of other phases of this statute.

State legislatures were scheduled to convene in 44 states in 1949, and organized labor was making every effort to repeal "little Taft-Hartley Acts" in at least 34 of these.

WORK STOPPAGES, 1947-1948

Fewer workers went on strike in 1947 or 1948 than in either of the two years preceding. Both years saw a few large strikes, each including at least 10,000 workers and together accounting for more than half the total man-days lost by stoppages. The 15 large strikes in 1947 involved 17,700,000 man-days; the 20 large strikes in 1948 involved 19,000,000 man-days.

In its strike statistics, the U. S. Bureau of Labor Statistics uses the word "strike" for any stoppage of work due to a labor dispute. Strikes and lockouts are listed together, regardless of whether employers or workers initiate the work stoppage.

	1948	1947	1946
Stoppages	3,419	3,693	4,985
Workers involved	1,960,000	2,170,000	4,600,000
Man-days of idleness	34,100,000	34,600,000	116,000,000

Outstanding in the record for 1947 was the six weeks nation-wide strike of some 370,000 telephone workers which began on April 7 under the leadership of an independent union, the National Federation of Telephone Workers. Workers did not win the right to nation-wide bargaining, but in regional and local settlements they obtained wage increases ranging from \$2 to \$12 per week.

April 21, 1947, saw also a state-wide political strike in Iowa when some 100,000 workers in AFL and CIO joined in a one-day demonstration against anti-labor legislation then pending in the state legislature.

Over 200,000 miners in all bituminous coal fields were involved in a strike which began June 23, 1947, in protest over the passage by Congress of the Taft-Hartley Act. On June 30, the mines (operated by the govern-

ment from May, 1946) were returned to private control. Most miners then refused to go back until after July 11, 1947, when contracts with the coal operators were signed and ratified.

Discussing the strike situation in 1948, the Council of Economic Advisers, in its annual economic report to the President, January, 1949, said: "The instances where wage settlements were reached only after prolonged negotiations and strikes were somewhat fewer in 1948 than in 1947. . . . Since June, the month-by-month losses directly caused by strikes have not been more than about one-third of one percent of estimated available working time."

Largest of the 1948 strikes was the 40-day nation-wide strike of some 320,000 workers in bituminous coal mines, who walked out March 15, and won the adoption of a pension plan.

From April 6, some 30,000 anthracite miners (members of the UMWA) were out for a few days to obtain assurance that they also would receive such pensions as had been won by the bituminous miners.

Several weeks after these strikes were settled, some 42,000 bituminous workers in the "captive" mines (owned by steel and other non-mining corporations) walked out (July 6, 1948) to demand retention of the union shop. After nine days their demand was granted, but with proviso that the terms might be revised if required by court rulings.

Several strikes developed in the automobile industry in 1948. Largest and longest was the 17-day strike (beginning May 12) against the Chrysler Corp. in Detroit and two other cities (Evansville, Ind., and Maywood, Calif.) in which some 75,000 members of the Automobile Workers (CIO) won a two-year contract, with an immediate increase of wages and provision for re-opening the wage question if the cost of living rose. Again in November (9-12) 13,000 Chrysler workers in Detroit were out over an issue of production standards.

Other auto strikes included the two-day strike (March 22-23, 1948) of 13,000 workers (UAW-CIO) demanding that the Hudson Motor Car Co. reconsider the cases of certain discharged workers. Also, from August 17 to September 1, 1948, some 23,000 members of the UAW-CIO employed in four states by International Harvester were out in a strike which won a wage agreement including automatic increases and definite overtime pay for holidays falling on off-duty days.

Three unions (Farm Equipment Workers—CIO; Automobile Workers—CIO; and Automobile Workers—AFL) were involved in the strike at Peoria of some 20,000 workers employed by the Caterpillar Tractor.

This strike began April 8, 1948, and was ended five weeks later by an NLRB election.

In June, 1948, some 34,000 members of the Farm Equipment Workers (CIO), in a brief two-day strike against the International Harvester, won retention of provisions in their old contract, in the company's nine plants. (For other data on 1948 strikes see Monthly Labor Review, Feb., 1949.)

MARITIME STRIKES

For the first time since 1921, longshoremen on both the Atlantic and Pacific coasts were on strike together—in the fall of 1948.

Forewarnings of a west coast conflict centering on the International Longshoremen's & Warehousemen's Union (CIO) came early in the year, when the Waterfront Employers Association in San Francisco began insisting on a change in the hiring hall provisions of their contract. Under the contract the hall is supported jointly by union and employers, but the dispatcher is an elected union official. This, the employers maintained, led to discrimination against non-union men, in violation of the Taft-Hartley law. The union, led by its militant president, Harry Bridges, demanded that hiring practices be kept intact, asked for an 18¢ an hour increase and greater safety provisions for handling cargo on foreign ships. The union also demanded a provision—based on a June decision of the Supreme Court—that premium pay for habitual night and week-end operation is not overtime but regular pay, and that work after 40 hours a week must be paid for at 1½ times the average rate for the first 40 hours.

Expiration of the agreement on June 14 was followed by an 80-day anti-strike injunction under the Taft-Hartley Act. The injunction expired on September 1; the next day the longshoremen struck. They were accompanied by the Marine Cooks & Stewards (CIO) and the Pacific Coast Marine Firemen, Oilers, Watertenders & Wipers (Ind.), who demanded adjustments to bring their wages up to the new level set in National Maritime Union negotiations on the east coast. The ship radio men, organized in the American Radio Association (CIO), also went out for wage lifts. After a Taft-Hartley presidential board of inquiry report on the dispute, the unions boycotted a vote under NLRB auspices on the employers' last offer.

The longshore walkout lasted 95 days, agreement being reached on November 25 and work resumed on December 6. The new contract,

running for three years, provides a 15¢ an hour increase to \$1.82, with a wage review each year; one week's vacation after 800 hours' work and two weeks after 1,344 hours; maximum nine-hour shift; 8 A.M. starting time; four hours minimum work if called; and a designated day off each week. Area arbitrators with power of final decision were provided for each major port area. The "overtime-on-overtime" dispute was settled by a provision allowable under the wage and hour law that the men will not work more than 56 hours a week, or 1,000 hours in any consecutive 26 weeks. Hiring hall practices were continued without change until a court decision or Congressional action makes them illegal, in which case 120 days is allowed for a change. Performance of the agreement is guaranteed by the association for the employing stevedores, and by the national CIO for the union.

The three seafaring unions all reached settlements December 2 and began work the next day. The MCS and MFOWW contracts run for three years, to June 15, 1951, and provide for an increase of about \$21 a month, a higher overtime rate, improved working rules and improved grievance machinery. Hiring hall practices were retained subject to renegotiation if ruled illegal. The radio men won a general 10% increase bringing base pay to \$323.41 a month; the spread for eight straight-time hours was limited to 12 hours between 9 A.M. and 9 P.M. (instead of 16 hours between 8 A.M. and midnight), with overtime at \$1.70 an hour for work at other times; pay for day work in port was raised by \$4 to \$15, with time and one-half after 5 P.M.

About 17,000 men were involved in the longshore strike, and about 14,000 in the three seafaring unions.

Reject Ryan Agreement: The east coast strike, involving 60,000 Atlantic and Gulf dockers, began as a rank-and-file rejection of an agreement arranged by Pres. Joseph P. Ryan, of the International Longshoremen's Association (AFL). When their agreement ran out on August 21, 1948, the men were getting \$1.75 an hour for straight-time work between 8 A.M. and 5 P.M., \$2.62½ an hour for nights and weekends, and a week's vacation after 1,350 hours a year. They demanded wage increases, a guaranteed eight-hour day if called, a liberalized vacation allowance, and a welfare fund financed by five cents a ton on all cargo handled. The employers were fighting the Supreme Court decision on premium pay.

An 80-day injunction under the Taft-Hartley law postponed a strike until November 9. The men having learned from the experience of

previous sell-outs by their officers and having voted heavily against the proposed agreement walked out the next day. Thereupon "King" Ryan declared the strike official.

Agreement was reached on November 25, and work was resumed three days later. The men received an increase of 13¢ an hour straight-time, 19½¢ an hour on nights and week-ends, both increases retroactive to August 21; one week's vacation with pay averaging \$72.50 after 800 hours' work and two weeks after 1,350 hours; a one-year contract instead of two years; a guarantee of four hours' work for any work call in morning or afternoon and six hours for any two calls in one day; and a welfare plan to be worked out by committees from both sides to go into effect January 1, 1949. The Supreme Court ruling on "overtime on-overtime" was accepted by the employers pending Congressional action.

COMPANY VIOLENCE IN PACKINGHOUSE STRIKE

Some 100,000 packinghouse workers employed in 140 plants and stockyards across the nation were on strike for ten weeks from March 16 to May 21, 1948. Led by the United Packinghouse Workers (CIO) the strikers demanded wage increases of 29¢ an hour from the "Big Five" packers, Swift, Armour, Wilson, Cudahy and Morrell. Companies offered only a nine-cent rise and the union was finally forced to accept this small gain.

By early May the strike had spread to independent meat packing firms. The union maintained mass picket lines at all major plants for ten weeks, but police repeatedly attacked the pickets with clubs as the companies sought to bring in strikebreakers. At the Swift plant in Jersey City, April 21, three pickets were severely injured when railroad police clubbed them and shoved them into the path of a moving locomotive.

In Kansas City, Kan., April 23, local police attacked union strike headquarters, wrecked the furniture and injured over 100 workers. Two women were among these requiring hospital treatment. With no provocation from pickets, police captain Eli Dahlin had ordered his cops to "crack skulls". No disciplinary action was taken against the police. Damage suits totalling \$360,000 were filed against the city by the union and by 40 of the injured persons. The city settled the suits for a total of \$11,300.

Three pickets were killed as the result of company strikebreaking: Santo Cicardo of Local 100, UPWA, at the Armour Soap Works, Chicago, was run over, April 20, by a truck carrying scabs into the plant. Ed Hucks, Negro member of Local 42, was shot and killed by a strikebreaker, May 9, at the Armour plant, National City, Ill. William Farrell, picketing at the Rath Packing Co. plant, Waterloo, Iowa, was also shot and killed by a scab, May 19. The killer was found "not guilty" by a county grand jury in February, 1949.

But 31 officers of the UPWA and Local 46 were indicted for "conspiracy to riot," and were awaiting trial in March, 1949.

The National Guard was ordered out against the strikers in Minnesota and Iowa. By May 17, heavily armed guardsmen with fixed bayonets were clearing the way for scabs into the big packing plants in St. Paul. With the help of state militia and police, the meat trust was thus able to break the strike.

On May 20-21, strikers at Swift, Armour, and Cudahy plants voted to return to work on the nine-cent an hour wage increase. Workers employed by the Wilson, Morrell and Rath companies continued the strike until June 7, but returned to work without further gains. Later in the year the Packinghouse Workers won reinstatement of 71 workers who had been fired by Armour for strike activities. The union won an NLRB election at the Wilson plant in Chicago early in 1949 by a five to one vote.

VII. POLITICAL ACTION

RECORD OF EIGHTIETH CONGRESS

From the viewpoint of the people as a whole, and particularly in the eyes of labor, the record of the 80th Congress was even more reactionary than that of the 79th, discussed in Labor Fact Book 8.

Elected in the Republican "sweep" of 1946, the 80th Congress finished its work in 1948, and the Wall Street Journal, June 21, 1948, declared it would "be set down as the most sympathetic to the problems of business since the beginning of the Roosevelt era." It was ruled by an alliance of Republicans and southern "Dixiecrats."

First session of the 80th Congress lasted from January 3 to July 27, 1947, with a special session—technically a continuance after recess of the first session—from November 17 to December 19, 1947. After its second session, which ran from January 6 to June 2, 1948, President Truman called it the "worst Congress" in U. S. history. He said it had "failed miserably to meet the urgent needs of the people." The extra session, called by Truman after he was nominated at the Democratic Convention in Philadelphia, July 16, 1948, was regarded as a political maneuver in an election year.

Chief Legislation: The main legislation passed by the 80th Congress against the interests of labor and the people is listed below. (Some of it is discussed more fully elsewhere in this volume.)

1. The Taft-Hartley Act which destroyed the protection formerly provided for labor under the Wagner Act. It placed new power in the hands of corporations with which to curb unions.

2. An act which outlawed portal-to-portal wage claims by workers and at the same time weakened the Fair Labor Standards Act. It allows employers to evade back-pay claims for violations and reduced the time within which workers' suits for back pay may be filed.

3. An act which crippled the federal Department of Labor by taking the U. S. Employment Service out of that department and making it a minor bureau in the Federal Security Agency.

4. Two laws that cut down the coverage of social security by excluding salesmen and related occupations. Serious cuts were made in the budget of the Federal Security Agency.

5. A \$4.8 billion "aid-the-rich" tax reduction bill, passed over Presidential veto. It gave large-income taxpayers what Business Week, June 26, 1948, called "real relief."

6. The largest peacetime military appropriations in U. S. history which added about \$4 billion to the \$11 billion already budgeted by Truman for "defense".

7. The first peacetime draft in our history, passed June 19, 1948, making men between 19 and 26 subject to 21 months of military service.

8. The Reed-Bulwinkle Act which favored the railroad monopolists by permitting the roads to set rates without fear of violating the anti-trust laws. It was passed over a veto by President Truman, who said that it "would permit an important segment of the economy to obtain immunity from the anti-trust laws and would do so without providing adequate safeguards to protect the public interest."

9. A cut in funds for conservation and flood control. Congress defeated a measure that would have permitted the Tennessee Valley Authority to build a steam power plant.

10. A bill permitting about 200,000 displaced persons to enter the United States, which was filled with discriminatory provisions that made it almost impossible for any considerable number of Jews to enter and also placed difficulties in the way of Catholics. Nazi elements and White Guard Russians found it easy to enter the U. S. under this law.

Progressive Measures Defeated: Bills supported by labor and the progressive forces, but not passed by the 80th Congress, included those which would have:

1. Added to civil rights legislation on the basis of the President's Committee report on that subject. All the bills to ban the poll tax failed to pass, as did the bills against lynching and against unfair discrimination in employment.

2. Given federal aid for housing and slum clearance. The Wagner-Ellender-Taft long-range housing program was killed in the House rules committee, and the "compromise" housing measure that finally passed did nothing more than permit veterans to extend the time in which they may pay mortgages.

3. Set a 75-cent an hour minimum wage under the Fair Labor Standards Act instead of the present legal 40 cents an hour. Such action was clearly required to keep pace with the increase in the cost of living.

4. Attempted to check and control inflation. Instead Congress ended

OPA and weakened rent controls. Although the White House asked for more power in this field, Congress took no action on price control, credit control, rationing, or allocations. (At the last minute of the second session, a discretionary steel allocations amendment was tied into the military draft act.)

5. Provided for national health legislation. The Wagner-Murray-Dingell bill was again killed in committee, and all efforts to broaden the coverage of social security and increase benefits were defeated. Mine safety legislation was ignored.

6. Extended federal aid to education. Such a bill, calling for \$300 million a year, passed the Senate but did not reach the House.

It was generally admitted that the alleged need for expenditures on armaments to support the bi-partisan war preparations, militated against adoption of new social-betterment programs requiring large government outlays. The beginnings of a "cold war" economy were already having their influence in preventing new expenditures for social services and public welfare.

Extra Session: Called back in extra session on July 26, 1948, Congress in eleven working days added nothing of any importance to its record. As a gesture against inflation, it put back some curbs on installment buying and tightened bank credit by requiring the banks to carry bigger cash reserves. It extended a little government aid to private housing.

The day after this extra session adjourned, a report in the New York Times, August 8, said that Congress had "denied to President Truman all but the merest fraction of the complex program he had sought."

Unity on Foreign Policy: President Truman campaigned on the basis of this failure of the Republican-dominated Congress to meet the domestic needs of the people. He called it "that good-for-nothing 80th Congress" although it had supported his reactionary foreign policies with bi-partisan fervor.

The direction of this foreign policy, approved by the 80th Congress, had been toward allying the United States "with dictators, outmoded kings, feudal landlords, grafters and exploiters, rulers of colonial empires, proto-fascists—in Greece, Turkey, China, the colonial world" as Rev. Jack R. McMichael pointed out in the Social Questions Bulletin of the Methodist Federation for Social Action, December, 1948. "It has pulled and tempted us towards alliance with the Vatican and with out-right fascism in Spain. It has fostered misery and civil war, resisted with unexpected power by exploited common people. It has brought the

entire world not towards reconstruction and peace, but towards the increasing threat of atomic holocaust."

The Republicans on the whole had united with the Democrats in supporting these dangerous foreign policies of the Truman administration. The big business and Wall Street press had also given them unqualified support.

THE PROGRESSIVE PARTY

A new party was organized in 1948 soon after the announcement December 29, 1947, by Henry A. Wallace, former Vice-President of the United States, that he would run as an independent candidate for the Presidency opposed to the bipartisan cold war program of "military adventures."

The forces which had rallied in 1944 for the reelection of Franklin D. Roosevelt and which had later been organized in the Progressive Citizens of America (see Labor Fact Book 8) formed the nucleus of the new movement. They organized the Progressive Party which, despite tremendous obstacles including an unparalleled campaign of red-baiting, intimidation and terror, obtained a place on the ballot in 45 out of the 48 states. It was barred in Illinois, Nebraska and Oklahoma.

The convention which organized the Progressive Party in Philadelphia, July 23-25, 1948, was made up of 3,240 delegates and alternates. Close to 40% of those present were women and from 20 to 25% were professional people. Approximately 25% of the total were war veterans and 46% belonged to unions. More than 50 AFL, CIO and railroad unions—local or international—were officially represented.

In addition to adopting the platform summarized below, the convention nominated Wallace for President and Senator Glen H. Taylor of Idaho for Vice-President. Taylor, although not as well known as Wallace, had a very progressive record in the U. S. Senate. He had spoken eight hours against the Taft-Hartley bill and introduced the first bill to repeal this law. He had voted against President Truman's efforts to outlaw strikes in plants seized by the government, against the crippling of the FEPC, against the Case anti-labor bill. He had also put in bills to restore price controls, raise minimum wages, remedy the shortage in low-cost housing and extend social insurance. In the field of foreign policy also he had led the Senate opposition to the Truman Doctrine and carried on a 17-hour filibuster against the peacetime draft act.

PROGRESSIVE PARTY PLATFORM

The "peace, freedom and abundance" platform adopted at the Progressive Party convention differed from the platforms of the two old parties especially in the field of foreign policy. It brought out the real issues facing the nation and eventually forced Truman to take a more advanced position, at least on domestic issues, than that included in the platform of the Democratic Party.

This historic Progressive platform demanded "negotiation and discussion with the Soviet Union to find areas of agreement to win the peace," called for "repeal of the peacetime draft and the rejection of universal military training," and also for "repudiation of the Truman Doctrine and an end to military and economic intervention in support of reactionary and fascist regimes in China, Greece, Turkey, the Middle East, and Latin America."

While opposing the Marshall Plan, the platform advocated "establishment of a United Nations reconstruction and development fund to promote international recovery by providing assistance to the needy nations of Europe and Asia, without political conditions and with priorities to those peoples that suffered most from Axis aggression."

It demanded "that the United States delegation to the United Nations stop protecting fascist Spain and press for effective economic and diplomatic sanctions against Franco's dictatorship." It urged a "continuous strengthening of the United Nations" and pledged itself to work through it for a world disarmament agreement to outlaw the atomic bomb, bacteriological warfare, and all other instruments of mass destruction; to destroy existing stock piles of atomic bombs and to establish United Nations controls, including inspection, over the production of atomic energy; and to reduce conventional armaments drastically in accordance with resolutions already passed by the UN General Assembly.

The platform called for cooperation "with our wartime allies to conclude peace treaties promptly with a unified Germany and with Japan." The essentials for a German settlement should include, it said, "denazification and democratization, punishment of war criminals, land reform, decartelization, nationalization of heavy industry, Big-Four control of the Ruhr, reparations to the victims of Nazi aggression."

The platform also called for the "immediate withdrawal of American troops and abandonment of bases in China," as well as "cessation of financial and military aid to the Chiang Kai-shek dictatorship." It supported independence for Puerto Rico, abolition of the colonial system

throughout the world and application of the "principle of self-determination for the peoples of Africa, Asia, the West Indies and other colonial areas." It also urged return to and "strengthening of Franklin Roosevelt's good-neighbor policy" in Latin American and the Caribbean countries.

The comprehensive domestic program of the new party went far beyond that of the more progressive Democrats, although it dealt with much the same issues as those covered in the Truman speeches discussed below. As the only possible solution of the monopoly problem it advocated public ownership of the largest banks, railroads, merchant marine, utilities, as well as aircraft, oil and synthetic rubber industries.

On many other issues it took the same position as the progressive forces in the CIO, urging repeal of the Taft-Hartley Act and the enactment of a \$1 minimum wage, extension of social security and maternity benefits, as well as development of a long-range housing program.

Its civil rights planks were also the most advanced, calling for the end of all racial discrimination and segregation and declaring that the party "will fight for the constitutional rights of Communists and other political groups to express their views as the first line in the defense of the liberties of a democratic people."

LABOR AND THE NEW PARTY

Soon after Wallace announced his candidacy the CIO executive board, January 22, 1948, voted 33 to 11 that it was "politically unwise to inject a third party into the political scene of 1948."

In February the AFL executive council had voted unanimously to reject the third party candidacy of Wallace, stating that he had become a "spokesman" and "apologist" for the Communist Party. (N. Y. Times, Feb. 3, 1948.)

Despite the anti-Communist hysteria and the opposition of the two national labor federations a National Labor Committee of the Progressive Party, headed by President Albert J. Fitzgerald of the Electrical Workers (CIO), was established and by the time of the party convention in July, it included officers of 47 AFL, 31 CIO, 14 railroad and six independent unions. By July also seven trade unions, with a total membership of 549,000, were announced as officially backing the new party, while five others, with a membership of 873,000, were reported as active supporters. This rather limited trade union base was one of the admitted weaknesses of the new party.

Support for Liberals: The Progressive Party gave support to many liberal candidates running on other party tickets. It actively endorsed or left unopposed 41 out of 48 Congressional candidates who scored 75% or better according to the voting chart standards of the CIO.

In various districts the Progressive Party or its state affiliates endorsed liberal Democrats or withdrew the progressive candidate who had originally been nominated for the office. This was done even in some cases where the Democratic candidate declined the invitation to cross-file on the Progressive ticket.

There were only about 100 Progressive Party candidates in the field for House seats and only 11 running for the U. S. Senate.

TRUMAN'S VICTORY

In one of the most surprising upsets in U. S. political history President Harry S. Truman was re-elected President on November 2, 1948, in the closest election in 32 years. Senator Alben W. Barkley was elected Vice President and the Republican control of the Senate and the House of Representatives was wiped out as the Democrats gained a majority of seats in both chambers.

The Republican candidate, Governor Thomas E. Dewey of New York, was the only Republican in history to be defeated twice for the Presidency. His running mate for the Vice Presidency in 1948 was Governor Earl Warren of California.

President Truman, although losing New York State (by a vote, however, of only 43,000), Pennsylvania, New Jersey, Connecticut, Michigan, Indiana, and a dozen smaller states, cut deep into territory regarded as strongly Republican and carried such corn belt states as Iowa, Wisconsin, Illinois, Minnesota and Missouri.

The totals of the number of states won, with the votes and percentages of the popular vote for the four leading candidates were as follows:

<i>Nominee</i>	<i>States won</i>	<i>Popular vote</i>	<i>Electoral vote</i>	<i>% of popular vote</i>
Truman	28	24,104,836	303	49.5
Dewey	16	21,969,500	189	45.1
Thurmond	4	1,169,312	39	2.4
Wallace	—	1,157,100	—	2.4
Others	—	279,080	—	.6

The number of eligible voters in the whole country in 1948 was about 95 million, of which only about 51% cast Presidential ballots, compared

with about 56% of the potential voters in 1944 and 59% in 1940. The total vote for President in 1948 was 48,680,416 compared with 47,976,263 in 1944 and 49,820,312 in 1940.

CAMPAIGN ISSUES

On specific domestic issues Truman came out for a New Deal program knowing that progressive sentiment was not dead in the United States despite the attacks of the press, radio and other reactionary agencies of opinion.

On specific domestic issues labor was impressed by Truman's promises and pledges rather than Dewey's generalizations dealing vaguely with "unity" and "competence" in government.

Truman's race was made on a platform that contained many legislative planks on domestic issues similar to those advocated by the Progressive Party. Especially in the last weeks of the campaign Truman hammered on the more progressive parts of his platform and talked on issues in a manner reminiscent of Roosevelt.

Ten main points in his program on domestic issues as revealed in his speeches, may be summarized as follows: (1) Repeal the Taft-Hartley Act; (2) Increase the national minimum wage from 40 to 75 cents an hour; (3) Extend social security to workers not now covered; (4) Increase social security benefits by 50%; lower the old-age pension age for women from 65 to 60 years; (5) Expand the nation's health facilities through a national health program; (6) Grant federal aid to states for educational needs of children; (7) Give federal aid for slum clearance and low-cost housing; (8) Hold down the cost of living with price controls; (9) Maintain the farm price-support program; (10) Aid small business by passing legislation to close loopholes in the antitrust laws.

THE NEW CONGRESS

As a result of the election the line-up of the two old parties in the 81st Congress compared to that in the 80th and 79th was as follows:

	<i>The House</i>		<i>The Senate</i>	
	<i>Democrats</i>	<i>Republicans</i>	<i>Democrats</i>	<i>Republicans</i>
81st	263	171	54	42
80th	188	246	45	51
79th	243	190	57	38

In all three Congresses labor had been represented directly by only one spokesman, Vito Marcantonio of the 18th Congressional district of

New York City. He was reelected in 1948 by a vote of 36,278 defeating his Republican-Liberal Party opponent, John Ellis, who received 30,899 votes and the Democratic candidate, John P. Morrissey, who received 31,211 votes. The American Labor Party Congressman won despite the efforts of the New York Times (with a special series of editorials) and other reactionary organs to smear and red-bait him. His voting record had been 100% pro-labor and anti-imperialist on all issues. With him also for several months in the 80th Congress was Leo Isacson of New York City.

Isacson had been elected February 17, 1948 in a special election in the 24th Congressional district, to replace a Democrat who had resigned to become a New York Supreme Court judge. In a four-way race the American Labor Party nominee had polled 22,697 votes or more than 10,000 above his Democratic opponent Karl Propper, who received 12,578 votes. Isacson was supported by Henry A. Wallace and when elected declared it was a victory for Wallace and "the people's party," and a repudiation of the administration policies "which are leading down the road to war."

In the November election, however, Isacson was beaten by I. Dollinger, who had the combined endorsement of the Democratic, Republican and Liberal parties. Dollinger received 79,954 votes, Isacson 44,257. (This, however, almost doubled any previous ALP vote in that district.)

DEFEAT OF SOME REACTIONARIES

Republican upsets in the House hit both the Committee on Un-American Activities and the Committee on Education and Labor, which had been most active in opposing labor and progressive movements. Of five Republicans on the first committee two were defeated, one became a Senator, and a fourth, Chairman J. Parnell Thomas, although elected, was indicted by a federal grand jury a few days after the election on charges of conspiracy to defraud the federal government and of filing false claims against it.

Of the 12 Republicans on the Education and Labor committee five were defeated and its Chairman Fred A. Hartley Jr., joint author of the Taft-Hartley Act, did not run for reelection. Instead he became head of the Tool Owners Union, a fascist-type organization.

Anti-labor, red-baiting Congressmen who were beaten in the election included many who had led the attack on labor and other progressive measures in the previous Congress. The list included such men as

Bender, Busbey, Dirksen, Fletcher, Gearhart, Kersten, Knutson, Landis, Lewis, MacKinnon, McCowen, McDowell, Mitchell, Schwabe, Twyman and Vail.

A number of friends of the power lobby were also defeated. Among these enemies of public power and reclamation measures who went down to defeat were four Republicans—Miller (Conn.), Harness (Ind.), Rockwell (Colo.) and Rizley (Okla.). Among the outstanding anti-labor Senators who were beaten were Ball, Buck, Brooks, Dworshak and Revercomb.

Labor claimed that 83 Congressmen who voted for the Taft-Hartley bill were not elected to the 81st Congress. However, a majority of the pro-Taft-Hartley Congressmen still remained in the new Congress. In addition, eleven Senators who voted for the Taft-Hartley bill were not elected to the new Congress.

GOVERNORS ELECTED

The Democrats won 20 out of 32 governorships where elections for governor were held in 1948. This gave them control of the state governments in 29 out of the 48 states. These included eight states formerly held by Republicans. Especially in Connecticut, where former price administrator Chester Bowles won over his Republican opponent, the vote was in a sense a demonstration for the return of price control and other measures to check inflation.

LABOR AND TRUMAN

The main labor support of the Truman-Barkley ticket came from the AFL's Labor's League for Political Education and the CIO's Political Action Committee. On August 31, the CIO Executive Board declared its endorsement of Truman and Barkley.

Although set back in the elections of 1946 the CIO-PAC had been encouraged by its successes in local elections in 1947. It reported that in that year it had aided in the election of 26 mayors, 151 city officials and one governor. (Memo from PAC, Feb. 8, 1948.)

Just before the 1948 election Director Jack Kroll of the CIO-PAC said that it had 443 active states and local units, and more than 80,000 workers active in thousands of precincts. PAC concentrated its activities in 24 states, 11 gubernatorial races and 118 Congressional districts.

Following the election, PAC announced that 17 of the 21 Senatorial candidates it had endorsed had won, along with 161 of the 228 Con-

gressional candidates it had endorsed. Of the 16 candidates for state governor whom it had endorsed 14 won.

The post-election statement by Kroll said that the Democratic Party "is a true middle of the road party." He spoke warmly of the effective labor cooperation among CIO, AFL and rail brotherhoods at the local level.

Although the AFL did not make any official endorsement of a presidential candidate, its Labor's League for Political Education, established after the 1947 AFL convention, worked actively to elect pro-labor Congressional candidates.

After the election it claimed that 172 candidates which it had backed had been elected to the House and that it then had 38 "good friends" in the Senate compared with 27 in the last Congress.

A separate committee was set up to organize AFL support for the presidential ticket. It was called Labor's Committee for Truman and Barkley. Chairman of this committee was President George Harrison of the Railway Clerks, and a majority of its members were top AFL leaders. Harrison announced at the end of August that this committee was supporting Truman because he was against the Taft-Hartley law "and stands for the principles of freedom."

Another labor committee active in the campaign was Railway Labor's Political League in which leading officials of 20 railroad unions cooperated. Its emphasis was on the Congressional races and the labor records of candidates.

NEW YORK MINOR PARTIES

The American Labor Party received 509,559 votes for its candidate Henry A. Wallace in New York State, this being the first election in the 12 years of the party's history when it topped the half-million mark.

While the ALP made considerable gains, the Liberal Party of New York State, which backed Truman and refused to support any candidate, no matter how progressive, who had the support of the ALP, lost heavily as compared with four years before. Its state total was 222,300 compared with 320,331 votes in 1944.

In New York City, the Liberal Party vote dropped from 306,155 in 1944 to 194,449 in 1948. At the same time the New York City vote of the American Labor Party rose from 388,591 in 1944 to 423,424 in 1948, even though during this period such major affiliates as the Amalgamated Clothing Workers, transport, maritime and several other unions

had officially withdrawn from it and thrown some of their strength to the Liberal Party.

In a special election for the City Council in Brooklyn, N. Y., to fill the vacancy created by the death November 6, 1947 of Peter Cacchione, Communist, elected under Proportional Representation in 1946, Simon W. Gerson, Communist and American Labor Party candidate, was defeated by Democrat Jack Kranis. Gerson received 150,369 votes from the 24 Assembly districts involved. He obtained 131,941 ALP votes and 18,428 votes on the Communist row.

COMMUNISTS IN THE ELECTION

The Communist Party of the United States endorsed the Wallace-Taylor ticket and its members worked in the Progressive Party movement. However, it had its own election platform which stated that it was not nominating a Presidential ticket, and just as it had supported Roosevelt in 1944 "to help win the anti-Axis war," it would support the Progressive Party "to help win the peace."

The Communist platform referred to the Progressive Party as "anti-monopoly, anti-fascist, anti-war. By its very nature it is not an anti-capitalist party. It is not a Socialist nor a Communist party and we are not seeking to make it one. . . It is, and should develop as, a united front, broad mass people's party. . . We seek no special position in this movement and will, of course, oppose any special disabilities because of our socialist views."

This platform, adopted at the National Convention of the Communist Party, August 6, 1948, closed with the declaration that:

"We Communists are dedicated to the proposition that the great American dream of life, liberty and pursuit of happiness, will be realized only under socialism, a system of society in which the major means of production will be collectively owned and operated under a government led by the working class. Only such a society can forever banish war, poverty and race hatred. Only in such a society can there be the full realization of the dignity of men and the full development of the individual. Only such a society can permanently protect the integrity of the home and family. Only a socialist society can realize in life the vision of the brotherhood of man."

In an article analyzing the results of the election (Political Affairs, December, 1948), Secretary Eugene Dennis of the Communist Party pointed out that large numbers of voters had "accepted Truman's dema-

gogic New Deal promises at face value. They voted for the Administration as the 'lesser evil', as the better of two 'practical' alternatives."

He stated that "The bipartisan anti-Communist hysteria and red-baiting witchhunt also affected the election outcome and were a serious factor in cutting down the Wallace vote. But even here the 'lesser evil' theory operated, and the voters responded to Truman's demagogic criticism of the House Un-American Committee, to Attorney General Clark's criticism of McDowell (of that Committee) and his assurance that the Administration is 'against' witchhunts."

Dennis concluded that "we Communists and other anti-imperialists did not miscalculate when we said that the election of either Dewey or Truman would represent a victory for Wall Street and its bipartisan imperialist program."

PROGRESSIVE PARTY POST-ELECTION POSITION

Following the election the national committee of the Progressive Party, meeting in Chicago, Nov. 13-14, declared that "Mr. Truman's realization, in the middle of the campaign, that the Progressive Party offered the only genuine alternative to bipartisan reaction, forced him to change his tactics. . . We feel that our candidates' effort, and that of the Progressive Party, is ratified not only by the votes it received but by those Dewey and the reactionaries did not receive."

Tens of thousands of progressive workers in every state, it said, "defying intimidation and facing up to personal abuse, have upset reaction's schedule. We slowed down the cold war."

It stated also that "the stay-at-home vote was the largest in recent history. If the voting proportion of 1940 and 1944 had prevailed in 1948, 58 million ballots would have been cast."

The Progressive Party estimated that, including the votes which had been stolen in various ways, it had been backed by at least a million and a half people and that these supporters had "already exerted a tremendous influence for good in our country's political life."

The new party made plans to participate in hundreds of municipal elections scheduled for 1949, and to campaign for its program in state legislatures as well as in Congress.

THE DIXIECRATS

Governor J. Strom Thurmond of South Carolina, candidate on the States' Rights Democrats ("Dixiecrats") ticket, was on the ballot in 14

states. He polled 1,169,312 votes, and along with Governor Fielding L. Wright of Mississippi, running for Vice President, carried four southern states, Alabama, Louisiana, Mississippi and South Carolina with a total electoral vote of 38. He captured another elector chosen on the Truman ballot in Tennessee.

The announced aim of these reactionary southern Democrats was to throw the election into the House of Representatives where they hoped to be able to barter southern votes for a promise that civil rights legislation would not be enacted, and "white supremacy" would thus be upheld.

Representing big corporate interests in the South, Thurmond called the FEPC unAmerican and charged that this legislation "would open the doors of our defense industries to the Communists." (N. Y. Times, Oct. 31, 1948.)

Main support for the "Dixiecrats" came from oil interests opposing federal control of the tideland oil resources of the nation. They hoped to defeat Truman who had supported federal control measures while the Republican platform had come out for state control.

THE PRESS AND THE ELECTIONS

For the fifth time in succession the voters disregarded the presidential candidate the American big business press and "public opinion" poll-takers had picked for them. A survey by Editor & Publisher (October 30) released two days before the election, showed that daily newspaper support of Dewey over Truman was more than four to one. In terms of circulation, the ratio of newspaper support was nearly eight to one for Dewey over Truman.

The poll of 1183 daily papers showed Dewey supported by 65.2%, representing 78.5% of the total daily circulation. Truman had the support of 15.4% of the dailies with 10% of the circulation.

"Dixiecrat" Strom Thurmond had 3.8% of the dailies and 1.3% of the circulation, while Progressive Party candidate, Henry A. Wallace, had 0.25% of the newspapers with 0.13% of the circulation.

Only four daily papers in the country endorsed Wallace—the York (Pa.) Gazette and Daily, the Willman (Minn.) Tribune, the Daily Worker of New York City, and the People's World of San Francisco.

The same survey found that 15.4% of the dailies, with about 10% of the total circulation, were not committed to any Presidential candidate.

CAMPAIGN CONTRIBUTIONS

The amount spent on elections in the United States runs into tens of millions of dollars. Investigations of campaign expenditures by Senate Committees have indicated that the cost of the 1940 election to the parties involved was about \$22.8 million and in the 1944 election a little more than that amount. Estimates of the amount spent in 1948 ranged all the way from \$13.5 million to \$25 million.

Since the passage of the Hatch Act in 1939 individuals have not been permitted to make contributions of more than \$5,000 each, but gifts in the name of other persons, including relatives, have not been prohibited. The DuPont family of Delaware, for example, was estimated to have given in the neighborhood of \$50,000 to the Republican cause in 1948.

Individuals can also give the maximum amount to each of various regional and state committees as well as to the national committee of the party, or those raising funds for particular candidates. Each major party usually has three national committees. Beside the official Republican and Democratic national committee there is a national campaign committee and a Congressional campaign committee for each. These raise special funds to help elect party candidates to the Senate and the House.

Under the law the national committees of the parties are restricted to collecting and spending no more than \$3 million each in any campaign year. So party leaders encourage parallel political groups to support their candidates, but to operate as technically independent of the party's machinery. Thus, as the Wall Street Journal (Oct. 22, 1948) says, "The \$3 million limit, set by law, which the national committees can spend, is only a fraction of the money put out through the nation to help elect presidents and vice presidents alone."

Some of the larger contributors to the Republican committees in 1948 were (in addition to the various duPonts), John D. Rockefeller, Jr., Mr. and Mrs. Alfred P. Sloan, Jr., Mr. and Mrs. Sewell L. Avery, Ernest T. Weir, Lessing Rosenwald, Vincent Astor, Lloyd E. Kennedy, Harold Vanderbilt, E. Roland Harriman, Charles S. Payson, Walter P. Chrysler, Jr., Mr. and Mrs. Paul Mellon, Mr. and Mrs. Harry F. Sinclair.

Big corporations in the steel, automobile, oil, chemical, railroad, banking and other fields are represented by these names.

Substantial also are some of the financial interests helping the Democrats although their names were not as prominent in Wall Street as those of the Republican contributors. Some of the wealthy people who con-

tributed to the Democratic Party in 1948 were Herbert H. Lehman, Francis Biddle, Marshall Field, W. Averell Harriman, Charles Luckman, William D. Pauley, Charles P. Skouras, George Allen and Mr. and Mrs. W. L. Clayton. Others like James V. Forrestal and Thomas J. Watson, gave money after the election was won.

A recent illustration of the way in which big business may spend money to influence the election of Congressmen without reporting the amounts spent, is given in John L. Spivak's pamphlet, *The Save the Country Racket*. He shows how large sums of money were contributed by various duPonts, Charles Payson, John J. Raskob, Col. R. R. McCormick, E. T. Weir and others to American Action, Inc. (See also *Labor Fact Book* 8.) This organization was used in attempts to defeat Vito Marcantonio and other progressive Congressional candidates in 1946. However, it evaded the federal corrupt practices act by stating that it did not engage in "direct political activities" at the very time when it was spending tens of thousands of dollars for what were obviously political purposes.

VIII. WORLD LABOR DEVELOPMENTS

WORLD FEDERATION OF TRADE UNIONS

The membership of the World Federation of Trade Unions in 1948 covered about 85 million workers from 67 countries.

Efforts to break up the WFTU had been made by reactionary labor and employer interests of the United States and Britain. Some of them had been planning for some time to set up a rival organization able to speak for U. S. foreign policies in the "cold war."

At the executive bureau meeting of the WFTU in Paris, January 19, 1949, the U. S., British and right-wing Dutch representatives walked out when their effort to suspend the activity of the organization for a year was defeated by a 4-3 vote.

The majority stood by the original provision of the WFTU constitution which proclaimed as the prime purpose of the world body "to combat war and the causes of war, and work for a stable and enduring peace." It held that the executive bureau had no power to suspend or dissolve the WFTU and that the question should be referred to the executive committee, the general council, and finally to the congress of the 67 affiliated national centers.

The Dutch Federation of Labor that joined the CIO and the British Trades Union Congress in this move to destroy the WFTU, was the same that had refused to protest the aggression of the Dutch government against the Republic of Indonesia. But the Dutch Unity Trade Union Federation, with 170,000 members, remained in the WFTU.

Soon after the British and U. S. members withdrew from the WFTU, the executive committee admitted the union federations of Chile, Malta, the Philippines, Siam, Tunisia and Southern Rhodesia, while the general secretary was instructed to arrange for the affiliation of German trade union organizations "zone by zone" and also the Japanese unions. After the disaffiliation of the British, U. S. and Dutch unions, over 60 million workers in over 70 countries were still represented by the WFTU.

The American delegates had desired to put the WFTU on record for the Marshall Plan, but this move was opposed by the French, Italian, Chinese, and Soviet representatives on the executive bureau.

Returning to the U. S. after the Paris action, James B. Carey, CIO representative, said the CIO had withdrawn from the WFTU because it saw no possibility of agreement "on any important issue."

Soviet Trade Unions on Marshall Plan: The position of the Soviet trade unions on the Marshall Plan issue in the WFTU had been made clear in a statement given in Moscow February 27, 1948, to CIO representatives. This denied that the Soviet unions, with a membership of about 28 million, prevented or desired to prevent the national federations of trade unions affiliated with WFTU from discussing the Marshall Plan. It added:

"Every trade union organization can freely speak for or against this Plan and take the appropriate decision . . . The Soviet trade unions have always considered economic aid from one country to another, and in particular the granting of foreign credits, as a normal event, as a means of improving the economic situation of these countries. . .

"However, in the opinion of the Soviet trade unions, economic aid by one country to another should exclude any kind of conditions leading to the economic and political subordination of the states receiving aid to the states granting aid."

It declared also that the Marshall Plan "cannot be a question on which the WFTU can make any kind of decisions obligatory on national trade union centers." It "can in no way be a reason for splitting the world trade union movement—for every national trade union organization must be completely free to determine its own attitude to this plan."

"It is not possible," the statement added, "to prohibit trade unions from voting for the Marshall Plan or against it, without endangering the unity of the world trade union movement."

Protests on Union Rights: In the course of its activities since 1945 the WFTU had, in fact, reached agreement on many major issues. At least it had taken a strong stand for trade union rights in various countries where they had been restricted.

For example, at the Rome meeting of the executive committee in May, 1948, a resolution on union rights deplored the suppression and limitation of unions in Spain, Greece, Portugal, Brazil, Chile, Argentina, China, India, Iran, Malaya, Burma, Ceylon, Egypt and the Union of South Africa.

It appealed also to the Economic and Social Council of the United Nations to look into these various infringements of trade union rights,

demand measures to correct them and insist on a full report from each member nation concerned.

During 1948 the WFTU had, among other actions, protested to the UN the proceedings brought against 34 Greek trade unionists some of whom had been tried and condemned to death. It protested also the murder of the general secretary of the dockers union of Havana, Cuba. And it appealed to U. N. authorities to prevent the terror of the Franco government against the Spanish trade unions and democratic forces.

In February, 1949, General Secretary Louis Saillant, representing the WFTU, asked the UN Economic and Social Council to act against 15 different methods of nullifying trade union rights wherever they might be practiced. These practices included the organization of company unions and government-stooge unions, the outlawing of bona fide trade unions, the seizure of union offices, the government control of union budgets, limitations on the federation of unions within a country, the banning of strikes and the arrest of strikers, the imprisonment and execution of union leaders, and the arrest, in some cases, of WFTU observers.

Saillant himself, when he entered the U. S. to attend the UN meeting, was forced by U. S. immigration authorities to sign a pledge not to go outside the New York area and not to engage in so-called "subversive activities."

Relation to ILO: In June, 1948, the WFTU won a "consultative status" relationship with the International Labor Office. As a compromise, however, the ILO extended the same status to the International Confederation of Christian Trade Unions and the Inter-American Confederation of Workers. The latter group, composed of certain Latin American unions, had been set up in January, 1948, with AFL support.

World Congress: The Second World Trade Union Congress of the WFTU was scheduled to meet June 27, 1949, in Milan, Italy. And the executive committee of the WFTU voted to hold a meeting in 1949 in Peiping, China. The All-China Trade Union Federation, representing some 2,800,000 workers, had been formed in Harbin in August, 1948. Preparations were also being made for a Pan-Asiatic Trade Union Conference to be held in the Far East in the fall of 1949.

Headquarters of WFTU is at No. 1 Rue Vernet, Paris 8, France. Its fortnightly Information Bulletin gives facts on the activities of trade unions in all parts of the world.

CANADIAN LABOR PROGRESS

Trade union membership in Canada, now about 950,000, is at an all-time high, approximately two and one half times the prewar peak of 383,000 reached in 1938. This increase represents in fact a consolidation of the membership gains from the 1946 strikes. Convention reports of the three trade union centers in Canada, for the late summer of 1948, show some 400,000 members in unions affiliated with the Trades and Labor Congress of Canada (which includes AFL and Canadian unions), another 350,000 in unions affiliated with the Canadian Congress of Labour (which includes CIO and Canadian unions), and another 90,000 in unions affiliated with the Canadian and Catholic Confederation of Labor, better known as the National Catholic Syndicates (operating only in the province of Quebec).

The unaffiliated railway brotherhoods (international) accounted for another 35,000 members, leaving some 75,000 in a variety of unaffiliated national and local unions. Latest official government estimate of union membership, at the end of 1947, was 912,000, an increase of 200,000 over the end of 1945.

Against this picture of increased membership must be set a rapidly sharpening cleavage in labor ranks, essentially on the issue of independence of the Canadian labor movement and its ability to function in the interests of Canadian workers without interference from abroad or from non-labor elements in Canada.

Following the defeat of their direct attack on the unions in 1946, the leading circles of Canadian employers turned to an attempt to smash them from within. Their main weapons were a barrage of red-baiting and open encouragement of every form of disruption within the unions. Influential officials, who operate powerful "machines" in each of the two major union congresses, have fallen in with this employer plan, and have outdone the employers in red-baiting, sowing confusion, and trying to isolate the more militant unions. Governments, both federal and provincial, have cooperated by legislation restricting union activities. The courts and the police have also intervened more frequently to protect strike-breakers and limit picketing.

This alliance of employers, government and reactionary union officialdom to weaken the Canadian labor movement is committed to increasing economic and military integration with the United States and its foreign policies.

Trades and Labor Congress of Canada: This organization has been

confronted with two major crises over the past two years. The first was precipitated early in 1947 when Pat Sullivan, Secretary-Treasurer of the TLC and President of the Canadian Seamen's Union, one of its affiliates, resigned from both organizations charging them with being communist-dominated. It petered out quickly, however, when Sullivan attempted to organize a dual opposition union among the seamen employed on the Great Lakes which had the open support of the shipping companies.

The second crisis, in the summer of 1948, raised again the question of the autonomy of the TLC within the AFL. The immediate issue was the right of the TLC, including practically all the membership of AFL affiliates in Canada, to determine its own policies and to reject AFL policies and activities that would injure the Canadian affiliates. It was thrust on the 1948 TLC convention by the attempt of a small group of the most reactionary representatives of the AFL and of AFL unions in Canada to recapture control of the TLC executive which they lost to the rank and file membership in 1937.

They centered their attack on the executive for certain actions it had taken in a very important strike of the Canadian Seamen's Union (an affiliate of the Congress but not of the AFL) against two of the largest shipping companies on the Great Lakes. Specifically, they charged the executive with endorsing and supporting a strike by a union which they considered a "red" union; suspending the leader of their group, Frank Hall of the Railway Clerks, and his union for disruptive activities in connection with the strike; and refusing to recognize the AFL Seafarers' International Union which Hall had brought into Canada to divide the strikers and which he had helped merge with Sullivan's dual union on the Lakes. They took this position although the CSU strike was completely legal even under the complexities of Canadian labor law. It was on the vital issue of the right of a union, duly certified as the majority choice of the workers, to retain its contract in the face of the employer's deliberate refusal to bargain. It was also the most flagrant example, in many years of Canadian labor history, of employer and police provocation with violence supported by the courts.

The 1948 convention in Victoria (Oct. 11-16), the largest and most representative ever held by the TLC, overwhelmingly (about three to one) repudiated the Hall group, censured Hall, endorsed the CSU and its strike, and re-elected President Percy Bengough with a full executive supporting his position. It also amended the TLC constitution to make

it quite clear that, while any AFL union has the right to request affiliation for its Canadian membership, the TLC has the right to decide whether or not to accept the application. The rank and file unity established on this most contentious issue was carried into all the work of the convention which went on record for substantial wage increases, a 40-hour week (or less if necessary to assure employment), increased income tax exemptions, return of price controls and the 100% excess profits tax, amendments to the Dominion Labor Code, low-rental housing, social security, peace through cooperation of the big powers in the United Nations and aid to Europe and Asia through United Nations agencies. It urged the election of candidates to government office who would give full support to the TLC legislative program. This was an endorsement of political action, but refusal to tie labor to one political party.

In spite of the decisions of the Victoria convention, re-affirmed in January, 1949, by convention of the Ontario Federation of Labor, the largest section of the TCL, the Hall group continued its disruptive work. It appealed to the AFL executive council which issued a virtual ultimatum to the TLC demanding changes in its method of voting. It also set up an "investigating committee" including the head of Hall's union. The TCL, in turn called this "a flagrant usurpation" of authority by the AFL. It called on its members to support it in remaining "a free trade union center that can fully represent the aims and aspirations of Canadian workers."

Canadian Congress of Labor: Sharpening division on the basic issue of Canadian labor unity and freedom from non-labor influences has already cost the Canadian Congress of Labor two of its larger affiliates and approximately 50,000 members.

Just before the 1948 convention of the CCL, District 1 of the International Woodworkers of America on the West Coast, with one-third of the membership of that CIO union, withdrew both from the international union and from the CCL and set up a new independent union, the Woodworkers' Industrial Union of Canada. One of the most militant and effective unions in Canada, the West Coast Woodworkers felt this step necessary because of certain activities of their international and the CCL officials, assisted by a representative of the Steelworkers. Among these activities were the setting up of "white blocs" within local unions in organized opposition to the district leadership, the taking over of complete control of an organizing drive in Eastern Canada for which

District 1 had supplied the funds, public undercutting of the negotiations on the 1948 master contract by advocating a lower wage settlement than was finally achieved, and preparations to send an administrator into the district to take over the administration from the elected officers.

In a subsequent strike called by the new union to protect its bargaining rights at Iron Mountain, a rump IWA group set up by the International and assisted by the CCL acted as strikebreakers, and Pat Conroy of the CCL publicly advised workers to cross the picket lines.

In the Mine, Mill & Smelter Workers, one of the few "neutral" unions in the CCL, the CCL and Steelworkers' officials also carried out disruptive and raiding activities. The CCL executive refused to protest the deportation from Canada of a number of representatives of the international union sent from the United States to assist in an organizing campaign in the gold mines of Northern Ontario. Disruptive groups within Mine-Mill were encouraged to set up "white blocs" within the locals, while other locals were split off into "independent" unions, or were directly raided by the Steelworkers. The CCL executive council temporarily suspended Mine-Mill from the CCL on a flimsy pretext, and then took over an important part of the jurisdiction of the union claiming that it had not done an effective organizing job. The CCL officially ordered Mine-Mill (and the raiding Steelworkers) out of the gold mines of Northern Ontario and a plant of the International Nickel Co., at the same time unofficially indicating, off the record, that these will eventually go to the Steelworkers and that the real objective is to drive Mine-Mill entirely out of Canada. The Mine-Mill in convention in January challenged this ruling, planned their own organizing campaign, and arranged to take their case to the local membership of other unions in the CCL. On March 24 the CCL executive council formally suspended Mine-Mill indefinitely for this defiance.

Similar attempts at disruption from within and raiding from without, and at interference with the democratic rights of affiliated unions, have been made in other CCL unions, notably the Electrical Workers. This union was suspended on March 24 from representation on the CCL executive council pending investigation of certain charges laid by the Ontario Federation of Labor dominated by the right wing of the CCL.

The 1948 convention of the CCL (Oct. 11-15), with no representatives from the West Coast Woodworkers or the Mine-Mill union (under temporary suspension at the time), was dominated even more than usual by right-wing leadership. Using red-baiting on every issue, the

administration pushed through support of its suspension of the Mine-Mill union, support of the Marshall Plan and of the North Atlantic Military Pact, and condemnation of the Soviet Union and Communism. It continued support of the Cooperative Commonwealth Federation as the political arm of labor. The convention spent very little time on wages, prices, and social security issues, and side-stepped an important resolution condemning conscription introduced from Quebec.

In January, 1949, the executive council of the CCL, dominated by right-wingers (in absence of ten of its members) and without any prior discussion by the unions, voted for the abolition of the World Federation of Trade Unions. It charged that the WFTU had "not concerned itself with the practical problems of the workers" and that some of its affiliates were not "free unions."

Catholic Unions: The third labor center, the National Catholic Syndicates, over the past two years has shown an increasing militancy and desire to cooperate with the international unions on issues of common interest. Its member unions have conducted several important strikes, notably one of furniture workers covering the whole province of Quebec, a strike of Catholic school teachers in Montreal, and a strike of 5,000 asbestos workers. It has taken a strong position against the anti-labor activities of the Quebec government, under fascist-minded Premier Maurice Duplessis, and has joined with the Quebec Federation of Labor (TLC) and the Montreal Labor Council (CCL) in protests against the anti-labor operations of the Quebec Labor Relations Board. It also co-operated in protesting against the proposed new Quebec labor code.

Gains and Work Stoppages: Union contract provisions have been considerably strengthened over the past two years, even though the degree of coordination among unions achieved in 1946 has been completely lacking in 1947 and 1948, due to the failure of unions under right-wing leadership to cooperate in any over-all wage or contract campaign or to carry on any militant campaigns in their own jurisdictions. The unions that have maintained a fighting policy have made substantial gains, generally following their 1946 wage increases of 13¢ to 15¢ per hour with another 13¢ to 16¢ in 1947 and 10¢ to 13¢ in 1948. They have made new gains in union security in 1948 and have brought the three or four paid holidays of 1946 up to eight, shortened hours, with increased take-home pay, raised shift bonuses, established three-weeks paid vacation for long service employees, and frequently reduced the service requirement for two-weeks paid vacation. The less militant

unions, following the pace-setters, have made gains in the same direction on a smaller scale.

Gains made by the fighting unions were in virtually every case won only after a strong demonstration of solidarity and determination of the workers, involving in most cases direct threats of strike action. Wherever such militancy was shown by the workers, substantial improvements in wages and contracts were achieved.

Strikes were less frequent in 1947 than in 1946, and even less frequent in 1948, but they were much more bitter. Most strikes were forced on a basic issue of union survival, recognition, protection of a contract, discriminatory firing of union members, or bargaining in good faith. In all the important strikes, such as the CSU on the Great Lakes, the Electrical Workers at Rogers-Majestic, and the Textile Workers (AFL) at Penman's, the employers have attempted strike-breaking, either through a direct company union or a "raiding" union, and have called in police to protect the strike-breakers, with resulting picket-line struggles and mass arrests.

Wages and Labor Codes: With the expiration of wartime emergency legislation the federal government has generally returned jurisdiction on matters affecting labor to the provincial governments, retaining only a limited rent control, regulation of collective bargaining in a small list of "national" industries, and labor regulation under the criminal code.

When price control was completely removed and rent control was relaxed in 1947, the Canadian prices rose rapidly, and wages have little more than kept pace, even in manufacturing where the greatest wage gains have been made. By October, 1948, wholesale prices in Canada were 211% of the 1939 level. Average salaries and wages for all industries in Canada were \$42.77 per week, and average wages in manufacturing alone \$40.68, at a time when a careful independent pricing of the city worker's family budget of the U. S. Bureau of Labor Statistics estimated its cost for Toronto, a fairly typical Canadian city, at \$72.98 per week. The rise in earnings has fallen far behind the rise in output per employee, and even more behind profits which rose sharply in 1947 and again in 1948.

The federal government in 1948 replaced its wartime bargaining provisions with a federal Labor Code, applying only to a narrow list of "national" industries. This code, which generally follows the delaying provisions of the Taft-Hartley Act and includes the right of the Board

to decertify a union as bargaining agent at its own discretion, applies to any union operating in these industries whether it makes any application or not, so a union cannot escape the penalties and delays by choosing not to comply.

The provinces, which again have jurisdiction over all industries not specifically covered federally, have used this federal code as an upper limit. Ontario, for example, has taken it over directly and applied it to all industries in the province. British Columbia has adopted its own code with very similar restrictions. Quebec, rapidly becoming the most important industrial province, has already introduced, but temporarily shelved in the face of united labor protest, two draft codes that remind one of Hitler's labor front. The first, introduced in 1947, provided for government licensing of all trade union organizers; the second, introduced early in 1949, bans all Communist influence, defined so broadly that it would include the Cooperative Commonwealth Federation, and even any activity on a picket line. It opens all union records, including the minutes of all meetings, to government investigation. Prince Edward Island has gone so far as to ban all unions with affiliations outside the province.

TRADE UNIONS IN THE PEOPLES' DEMOCRACIES

In the eastern European countries the representatives of big capital and of the rich land-owning class are no longer the dominant power in the state. Popular united-front governments have been formed since the war in these new democracies, and revitalized trade unions exercise a powerful influence in the governments.

The greater part of industry, banking and wholesale trade in these countries has been socialized and the big estates of the landlords and the nobility have been divided among the formerly landless peasants and small holders. Economic planning is common to all of these new governments.

The state-owned part of the economy in these countries is increasing while the private part, so-called "free enterprise," is on the wane. In 1948, for example, the nationalized sector of the economy covered about 85% of the total industrial output of Poland and Hungary and 95% in Czechoslovakia.

The non-socialized part of the economy includes small factories, some wholesale and retail concerns, a number of peasant farms which employ workers, in addition to speculators and various types of property owners.

Direct trade union representation is found in the administration of the nationalized industries. In some countries the workers, through their unions, have the right to nominate industrial managers. The unions are also well represented in various government posts, legislative, executive and judicial. Trade union leaders take an active part in the political life of all of these nations.

One of the major features of these trade union movements is the extensive spread of factory committees, which have assumed more power as they take on responsibility for assisting production in the new social-type economies now prevailing.

Trade union developments in three of these countries and in the Soviet Zone of Germany are briefly described in the following pages.

ORGANIZED LABOR IN POLAND

The trade unions of Poland today have three times as many members as they had before the war. Their membership early in 1949 numbered over 3.4 million out of a total labor force of over 3.5 million. Membership in the unions is voluntary and dues are paid by the individual and not through a check-off system.

Before the war there were nine different trade-union federations, but now all the unions are organized in one central federation and there is one union for each major industry. For example, before the war there had been 18 different unions among the railroad workers and 13 unions among the textile workers. Now there is one union for each of these groups of workers.

The Central Trade Union Committee (KCZZ) is the name of the federation to which the 36 national trade unions are affiliated. All unions in industry are vertical in structure and all craft unions have been merged into industrial unions.

Relation to Government: The Polish unions include workers of all shades of political opinion and party affiliation as well as those with no party affiliation. Workers have the right to strike and exercise that right when employers, for example, violate their agreements.

Describing the independence of the unions, Kazimierz Witaszewski, former president of the Central Trade Union Committee, declared: "During different periods in the history of Polish labor the trade unions experienced many difficulties," which "stemmed from the weak foundations on which the unions were built, such as the dependence of some unions upon financial aid from the government or from industry. To-

day we operate modestly on our own funds. We are completely independent of the government and political parties."

It will be remembered that under the Nazi occupation of Poland all unions were dissolved and many of their leaders murdered and tortured in German concentration camps. One fourth of the membership of the journalists union alone were killed during the occupation.

Despite this fact the unions carried on underground activity and published papers that helped ultimately to overthrow the German invaders. This underground activity became the basis for the revived Polish unions after the war.

Shop Committees: The basic organ of the trade union in the shop or plant is the shop or plant committee which is elected in a secret ballot by all the workers including those who are not union members.

The management must meet at least once a month with the shop committee. These meetings serve to give the committee the opportunity to present the workers' grievances. Such matters as the improvement of health conditions and technical facilities are also discussed.

The duties of the shop committee are to see that management does not violate the laws relating to workers or do anything contrary to the collective agreement. It also cooperates in certain phases of administration, although its main functions are separate and independent from those of either the management of the plant or the government.

Collective Bargaining: Collective agreements are usually industry-wide, but they are made also with individual employers. The conditions of the agreements apply both to union and non-union workers and cover wages, vacation periods and various other welfare and educational rights of the workers. The collective bargaining contracts recently made throughout Poland bring real wages about 10% above their prewar level.

Participation in Production Plans: Under the laws of the new Poland the workers, through their unions, take part in the framing of production plans for the nationalized industries. Workers' delegates help reach decisions on production costs, wages and capital investment and even on questions involving the types and quantities of products turned out by the factories.

Early in 1949 it was reported that more than 13,000 rank-and-file workers of both sexes had risen to managerial posts in industry since the war. The trade unions have industry-wide arrangements whereby talented workers may leave their jobs to attend special training schools, their wages continuing while they are in training.

The KCZZ is represented in the government's influential Economic Council which is the top agency in Poland's planned economy. No law in this field, as in the social welfare and labor field, is drafted without the active participation of the representative of the KCZZ.

Women Workers: The importance of the trade unions in the life of some 850,000 women members is noted in an article in *Poland of Today* (Sept. 1948) by Celia Stopnicka, head of the social research division of the Polish Research and Information Service. She says: "The principle of equal pay for equal work is strictly observed in industrial work, and adherence to it is closely watched by the trade unions. There are women's sections on each level of the union structure. These have a special interest in the operation of factory nurseries, in protecting the health of women workers, in disseminating health information, and in providing educational and vocational training.

"Partly as a result of trade union influence, many women were advanced to managerial positions. There are in Poland at present more than 70 top women executives, and 25,000 lesser executives, most of whom have come up from the ranks. And, of course, the trade unions played their part in the passage of progressive legislation for the protection of the women of Poland."

Vacation Homes: The right of every worker to a vacation is guaranteed in the collective agreement but is also provided by law. After one year of employment every worker gets eight days vacation with pay, and after three years 15 days. White-collar workers receive 30 days and some unions have won the same for all workers in their industry.

Vacation homes for workers are maintained by the Workers Vacation Fund in which trade unions and industrial managements are both represented. There are now 625 such homes in mountain and seaside resorts. Each union receives places in these homes in proportion to the size of its membership. The worker who spends his vacation in such a home pays about one-sixth of the actual cost of his upkeep and his transportation is free. During 1948 about 500,000 workers had a week or more in these vacation homes.

Educational Programs: One of the main functions of the trade unions is to provide educational, cultural and artistic opportunities for their members. The collective contracts signed with the employers invariably stipulate that adequate space and facilities for educational and cultural activities shall be made available to the workers. A wide variety of such activities are carried on by the unions, including lectures, courses, classes,

dramatic and dance groups, choirs, orchestras, and sports of all kinds.

For these activities the unions have nearly 3,000 social halls besides their 55 "houses of culture" which have still more extensive facilities. (For further facts on the Polish trade unions see Chap. 8 of William Carey's *Poland Struggles Forward*, 1949, and the monthly journal, *Poland of Today*.)

UNIONS IN CZECHOSLOVAKIA

Unions in this country also are in one over-all united trade union body called the Revolutionary Trade Union Movement with which all the industrial unions are affiliated. There are now over three million organized workers and the number is steadily increasing. Some 980,000 new workers were enrolled in 1948, including many women and young workers. Nearly 95% of all wage and salary earners are now in the unions.

The name of the main administrative body is the Central Council of Trade Unions. "Organized labor is the most important political force" in the country, says Frantisek Kraus, C-S delegate to the Social Commission of the United Nations Economic and Social Council. "No government could stay in power without its support." (*Allied Labor News*, April 15, 1948.)

Czech unions cooperate with the government and participate in the political, social and economic life of the country. The constitution of the country does not give government the right to control unions. On the contrary, it guarantees the right of organized workers to see that labor's constitutional rights are properly observed. Unions are not limited in the means they choose to protect those rights and they may take strike action to do so.

The relation of the trade unions to the government was made clear to a group of British union delegates who visited Czechoslovakia in the fall of 1948. They pointed out that friendly contact with the government is not peculiar to the unions in that country. Whether unions are independent, they said, depended not on whether they work with government but on whether such contact is in labor's interest.

They said that Czech government policy is devoted chiefly to raising living standards and that the personnel of the government today is recruited in large part from the ranks of labor. They referred to the constitution of the country, adopted in May, 1948, which says that "All citizens are entitled to the right to work. This right is guaranteed . . .

by organization of work by the state according to a planned economy."

The unions are cooperating in state industrial plans which have already resulted in a redistributed national income by increasing the worker's share through wage increases and adjustments. Additional improvement can take place through the increased production which is now planned to achieve a 35% rise in general living standards at the end of five years.

Czechoslovakia completed its two-year plan in 1948, restoring industry to well above its pre-war levels. A new five-year plan was begun in 1949, aimed to remodel, modernize and expand industry, especially heavy industry. About 95% of all industry is now in the hands of the state.

The Secretary of the Central Council of Trade Unions, Evzen Erban, reported in February, 1949, that "an extensive network of health centers for workers was organized last year, and 130,548 trade union members spent their holidays in rest homes and health resorts, and we expect to raise that figure to 480,000 in 1953, the concluding year of the five-year plan." (New Times, Feb. 16, 1949.)

HUNGARIAN TRADE UNIONS

Number of workers in the Hungarian trade unions had been beaten down to approximately 90,000 just before the liberation of the country in 1945. By the autumn of 1948 the number had risen to around 1,600,000. They are organized in over 40 national unions, the largest, in the order of strength, being the agricultural workers, the railroad workers, metal, chemical and textile workers. The top organization is known as the National Federation of Free Hungarian Trade Unions with the Central Trade Union Council as its executive organ. The trade unions cooperate closely with the agencies of the government since all plants employing more than 100 workers have been nationalized. As in the other new democracies of eastern Europe the unions are represented on government bodies dealing with social problems and conditions of work as well as on the Supreme Economic Council. They are on every denazification committee, on the peoples' court and on all national committees and commissions. They help draw up legislation and executive orders.

Workers' Competition in Production: The Hungarian unions are lending their full strength to the completion of the government's three year economic plan started in 1947. Discussing the participation of the

unions in such economic activity, Antal Apro, general secretary of the Central Trade Union Council, in a speech at the 17th Congress of the unions, October 18, 1948, reported that about 335,000 members were then engaged in production competition of various kinds.

He spoke also of the "brigade movement" which organized the collective tasks of the workers in the production drives. He said that from the ranks of the contestants would be drawn the advanced guard with better working morale, "who are destined to lead the whole working class along the road to Socialism."

Wages Increased: Rise in real wages of the Hungarian workers over pre-war is estimated at 15% to 20%. (Hungarian Bulletin, No. 45, Dec. 9, 1948.) The increase in real income of the worker is even higher when allowance is made for the things that he receives now that he did not have before the war.

In 1938, before the war, 6.2% of wages were deducted for taxes and 3% for social insurance. At present, both of these items are paid by the employer, whether a state enterprise or a private company.

Before the war there were only six holidays with pay during the year, while today the average number is 18 holidays a year depending on years of service and importance of the job, the number of holidays running as high as 28.

In addition, the Trade Union Council organizes summer holidays for workers and their families and the National Institute for Social Insurance has organized group holidays which enable a large number of additional workers to enjoy such benefits at little or no cost. In 1949 at least 250,000 adult workers will enjoy free holidays, received through the efforts of the union. A great many apprentices and employees' wives and children will also receive these benefits.

There are other forms of "invisible wages"; the workers obtain meals at nominal cost in factory restaurants and the managements make payments for social, cultural and sports activities which are controlled by the unions.

Adding up all these additional benefits to the wages actually paid, it is figured that the total of such is equivalent to 81 workdays' pay. In other words, a worker who is employed 300 days of the year receives in addition the value of 81 days' wages in cash and other benefits.

UNIONS IN THE SOVIET ZONE OF GERMANY

In fostering strong and vigorous trade unions, the Soviet Occupation Administration in Germany has fulfilled one of the important pledges the four Allied Powers made at the Yalta and Potsdam conferences.

On June 12, 1945, a statement of union purposes was posted all over Berlin and on June 17, 1945, a meeting of 600 pre-1933 German trade union functionaries was held and an executive committee was confirmed in office.

The full support that the nascent German labor movement enjoys from the Soviet Occupation Administration is indicated in the membership figures covering the postwar German unions in the Eastern Zone of Occupation.

Eighteen months after organization had begun, in December, 1946, the Free German Trade Union Organization (FDGB) had already enrolled 3,277,578 workers. This figure exceeded the total number of union members in the three Western Zones of Germany, including the highly industrialized Ruhr area in the British Zone.

Membership in the FDGB continued to expand rapidly. By December, 1947, it had grown to 3,945,724 workers, an increase of 20% over the preceding year. The latest figure, December, 1948, shows a total membership in the unions in the Soviet Zone of 4,649,444. This represents an 18% jump over 1947.

In 1946 about 57% of the employed workers in the Soviet Zone were organized into the FDGB. In 1947 this percentage increased to 66%. In 1948 it was 77%. This means that three out of every four workers are members of the Free German Trade Union movement.

Industrial Unions: The FDGB embraces 18 industrial unions. Largest of these is the Metal Workers Union, which in December, 1948, had 705,307 members. Next in size is the Public Workers Union with 621,290 members. Other large unions are the Agricultural and Forestry Workers Union with 415,884 members, Construction Workers with 383,261, Chemical Workers with 364,487, and Textile Workers with 317,018.

The unions in the Soviet Zone have made a determined effort to organize women workers. The large proportion of women in the postwar German working force demands this. Efforts to unionize the women have met with increasing success. In December, 1948, female workers consti-

tuted 32% of the FDGB's membership, or almost one out of every three workers organized.

Unlike the trade unions in the Western Zone of Germany, the unions in the Soviet Zone have been fully encouraged in their efforts to expand their membership and their responsibilities.

Important Role in the Economy: In the Soviet Zone the unions play an important role in production. They are primarily responsible for the many factories that have become Peoples' Owned Plants, confiscated from war criminals and Nazis.

The FDGB has two members on the all-important Economic Planning Commission for the Soviet Zone and is thus able to promote the workers' interests in all economic and social programs that are proposed and undertaken. Unions in the Soviet Zone actively assist in the distribution of scarce consumers' goods, advise on the construction and distribution of workers' housing, and serve as a constant check on possible anti-democratic elements in society.

In addition to the important economic position the trade unions now occupy in the Soviet Zone, they play a significant part in the emerging democratic social order.

Trade union youth receive many opportunities for schooling and further technical training. The German state governments, with the active assistance of the unions, have made serious efforts to insure a larger proportion of working class youth in all schools, including the universities.

Not only under Hitler but during the Weimar Republic period, workers' children were excluded from all higher education. They were forced to take a very limited "practical" program. Since the Soviet occupation, workers' children are not only permitted to take general courses and to attend institutions of higher education, but every incentive is offered to attract more working youth. Scholarships, stipends, and part-time work programs are arranged. In many universities trade union recommendation is one of the prerequisites for admission of students.

Trade Unions as a Unifying Force in Germany: The unions in the Soviet Zone have been a vigorous force in advocating unification of the four zones of occupied Germany. As early as 1946 they proposed unification of the trade union movement of the four zones as a first step toward economic unification. They have consistently pressed for unification of Germany on a democratic basis which would give labor an important voice in the direction of the economy.

Women Workers: The unions in the Soviet Zone have insisted on the principle of equal pay for equal work. They have applied this formula throughout this area. This is in contrast to the policy followed in the Western Zones of Occupation, where all sorts of wage discriminations against women workers remain in operation.

Union Leadership: The men who are now leading the trade unions in the Soviet Zone were, without exception, active in the German labor movement for many years. During fascism they were either in exile or in concentration camps. Only the most active and proved anti-fascists have been permitted to assume positions of responsibility in the trade union movement.

INDEX

- Academic freedom, attacks on, 99-100.
 Accidents, occupational, 63-64, 70.
 Advisory Council on Social Security, 57.
 Agriculture, earnings in, 39; *see also*
 Farmers.
 Aircraft, 153.
 All-China Trade Union Fed'n., 166.
 Allied Labor News, 120.
 Altmeyer, Arthur J., 57.
 American Action, Inc., 163.
 American Committee for Protection of
 Foreign Born, 88.
 American Communications Association,
 73.
 American Federation of Labor, in Can-
 ada, 167-169; convention, 1947, 102-
 104; convention, 1948; 104-106; on
 cost of living, 104; on foreign policy,
 103, 105; on hours, 49; membership,
 101, 104; in 1948 elections, 157-158;
 on Progressive Party, 153; on social
 security, 57; on Soviet Union, 103,
 105; on Taft-Hartley Act, 102, 105,
 128; on Un-American Committee, 103,
 105; and World Federation of Trade
 Unions, 103.
 American Federation of Teachers (AFL),
 100, 119.
 American Independent Oil Co., 30.
 American Jewish Congress, 92.
 American Labor Party, 156, 158-159.
 American Medical Association, 60-61.
 Anglo-Iranian Oil Co., 30.
 Annual earnings, 38-40.
 Anti-discrimination laws, 92, 94.
 Anti-injunction Act, 113, 133.
 Anti-lynching bill, 97, 149.
 Anti-Semitism, 108.
 Antitrust cases, 24-26.
 Antitrust laws, 149, 155.
 Arabian American Oil Co., 30.
 Association of Catholic Trade Unionists,
 125-127.
 Atomic bomb, 152.
 Atomic energy, 152.
 Atomic Energy Commission, 62, 90.
 Automobile Workers, 49, 90, 106, 113,
 115, 123, 137; strikes of, 124, 143.
 Ayres, Homer, 124-125.
 Bahrein Petroleum Co., 30.
 Bank credit, 150.
 Banks, 150, 153.
 Barkley, Alben W., 154, 157.
 Barsky, Edward K., 76.
 Beryllium, 62.
 Big companies, mergers of, 22; profits
 of, 19.
 Bill of Rights, 71, 86.
 Blacklist, of Attorney General, 81-82, 83.
 Bonds, foreign, 28-29.
 Bonine-Tripp Act, 141, 142.
 Bradley, Lyman R., 76, 99.
 Brazil, 31.
 Bridges, Harry, 144.
 British Trades Union Congress, 164.
 Brooks, Roy Cyril, 97.
 Bryan, Helen R., 76.
 Budget, federal, 33-34.
 Budgets, cost of living, 38, 44-48.
 Building trades workers, 121.
 Business failures, 15-16.
 Cacchione, Peter V., 159.
 California, farmer-labor relations, 124,
 125.
 Campaign contributions, 162-163.
 Campaign expenditures, 162-163.
 Canada, prices in, 172; strikes in, 170,
 171-172; unions in, 167-173; wages
 in, 171-173.
 Canadian and Catholic Confederation of
 Labor, 167.
 Canadian Congress of Labor, 167, 169-
 171.
 Canadian Seamen's Union, 168.
 Capital formation, 13.
 Capitalists, number of, 27.
 Carey, James B., 165.
 Carey, William, on Polish unions, 177.

- Cartels, 23, 108.
 Case anti-labor bill, 151.
 Case, J. I. Co., strike of, 124.
 Caterpillar Tractor Co., 143.
 Catholic unions, in Canada, 167, 171.
 Catholics, and trade unions, 125-127.
 Centralia Coal Co., 63.
 "Certification," of unions, 131-132.
 Chamber of Commerce of the U. S., 48, 49, 104, 127.
 Chase National Bank, 30.
 Chiang Kai-shek, 152.
 Child labor, 68-70.
 China, 110, 150, 152; unions in, 166; U. S. investment in, 32.
 Christoffel, Harold, 90.
 Chrysler Corp., 143.
 Citizenship, 89.
 City worker's family budget, 44-46, 172.
 Civil rights, 71-100, 153.
 Civil Rights Congress, 74, 77, 78-79, 92, 97-98.
 Clague, Ewan, 51.
 Clark, Charles E., 77-78.
 Clark, Tom C., 85, 160; blacklist of, 81-82, 83.
 Clayton Act, 21.
 Clayton, William L., on U. S. support for foreign investment, 29.
 Closed shop, 140, 141.
 Clothing workers, 106, 121.
 Cold war, budget of, 33-34.
 Cole, Lester, 75.
 Collective bargaining, in Canada, 171-173; health plans, 120-123; in Poland, 175; and women workers, 118-119.
 Committee for the First Amendment, 75.
 Committee for the Nation's Health, 61.
 Committee on Un-American Activities, 71-74, 76-78, 103, 105, 108, 156.
 Communist leaders, case against, 84-87.
 Communist Party of the U. S., 79, 80, 83, 153; in 1948 elections, 159-160; platform, 159; on trade union policy, 114; trial of 12, 84-87.
 Communist Political Association, 84.
 Concentration in industry, 19-22.
 Condon, Edward U., 73-74.
 Congress of American Women, 67-68.
 Congress of Industrial Organizations, in Canada, 167, 169-171; on civil rights, 107; convention of 1947, 106-109; convention of 1948, 109-115; economic program, 107; on farmers, 125; on foreign policy, 108-109, 111; on housing, 54; membership, 101, 106, 109; on military conscription, 107; minority report, 109-111; in 1948 elections, 157-158; on Progressive Party, 153; on social security, 57-58; on Taft-Hartley Act, 128; on taxes, 36; and women, 119; and World Federation of Trade Unions, 109, 110, 165.
 CIO Political Action Committee, 111-112, 157.
 Congress, U. S., on social security, 54-55; record of 80th, 148-151; 81st, 155-157.
 "Conspiracy" trial, of Communists, 84-87.
 Constitution, of Communist Party, 85.
 Constitution, of U. S., 71.
 Construction, 14, earnings in, 39.
 Consumer credit, 13.
 Consumer expenditures, 11, 12-13.
 Consumer incomes, 12, 37-38.
 Consumer prices, 15, 43, 44-48.
 Consumers' price index, 11, 15, 40, 43.
 Consumers Union, on antitrust action, 24-25.
 Contempt cases, 74-81; of grand jury, 80-81.
 Continental Illinois Bank & Trust Co. of Chicago, 30.
 Cooperative Commonwealth Federation, 171, 173.
 Cooperatives, 123-124.
 Corporations, profits of, 18; taxes on, 18.
 Cost of living, 11, 41, 42, 155; in Canada, 172; family budgets, 38, 44-48; women's budgets, 67.
 Council of Economic Advisers, 50, 66; on corporate profits, 18-19; on housing, 52; on strikes, 143; on wages, 41.
 Court decisions, on state anti-labor laws, 141-142.
 Crockett, George W., 85.
 Cudahy Packing Co., 136.
 Cyprus, 31.
 Czechoslovakia, 173; unions in, 177-178.
 Davis, Benjamin J., 84.
 Democratic Party, 92, 152, 154-158; contributions to, 162-163; in South, 160-161.
 Denham, Robert N., 130-131.

- Dennis, Eugene, 79, 84, 159-160.
 Denver cases, 80.
 Deportations, 87-88.
 Dewey, Thomas E., 154-155.
 Dies, Martin, 72.
 Dining Car and Railroad Workers Union, 115.
 Disability insurance, 56.
 Diseases, occupational, 61-63.
 Displaced persons, 149.
 Disposable income, 11.
 Dividends, 18, 27.
 "Dixiecrats," 160-161.
 Domestic workers, 55.
 Douglas, William O., 77, 83, 112.
 Doyle, Charles, 88-89.
 Dunn, Robert W., 23.
 duPont, company, 23; family, 162, 163.
 Durable goods industries, 14.
 Dushane, Eleanor R., 100.
 Dutch unions, 164.

 Earl, Willie, 96.
 Earnings, average annual, 38-40.
 Eastern Europe, 173-179.
 Eastman, Max, 104-105.
 Economic concentration, 20-22, 27.
 Economic Report, of the President, 12, 19.
 Education, federal aid to, 150, 155; and free speech, 99-100; in Poland, 176-177.
 Eisler, Gerhart, 77, 88-89.
 Elections of 1948, 154-160; and press, 161.
 Electrical manufacturing, 23-24.
 Electrical workers (AFL), 137.
 Electrical Workers (CIO), 40, 41, 49, 73, 79, 90, 106, 122; in Canada, 170; under Taft-Hartley Act, 132, 133, 135; on unemployment, 16.
 Ellender, Allen J., 53, 54.
 Emerson, Thomas I., 82.
 Employers, anti-labor tactics, 106, 135; tactics in Canada, 167; and Taft-Hartley Act, 130.
 Employment, part-time, 16-17.
 Equal pay bills, 67-68.
 "Equal rights amendment," 68.
 European Recovery Program, *see* Marshall Plan.
 Ewing, Oscar R., 58.

 Expenditures, for plant and equipment, 13, 17.
 Exports, 10.

 Factory Management and Maintenance, on productivity, 50.
 Fair Employment Practice Committee, 92-93.
 Fair Labor Standards Act, 48, 67, 113, 149.
 Family budgets, 44-48.
 Family income, 37-38.
 Family, size of, 45.
 Farbenindustrie, I. G., 23.
 Farm Equipment Workers, 73, 90, 115, 124, 125, 143, 144.
 Farm income, 11.
 Farm prices, 15, 155.
 Farm workers, 55.
 Farmer-labor relations, 123-125; in California, 124, 125.
 Farmers, 14-15, 55; and labor, 123-125; organizations of, 123, 124.
 Fast, Howard, 76.
 Federal budget, 33-34.
 Federal Bureau of Investigation, 81, 82, 84.
 Federal Loyalty Order, 81, 107.
 Federal Mediation and Conciliation Service, 129.
 Federal Reserve Board, index of, 9; on consumer finances, 26, 37-38.
 Federal Security Agency, 58, 148.
 Federal Trade Commission, on mergers, 20-22; on steel mergers, 22.
 Federated Press, 120, 125.
 Federation of Architects, Engineers, 73.
 Fishermen and Allied Workers, 73, 109.
 Fitzgerald, Albert J., 153.
 Five-day week, 49.
 Fleischman, Ernestina Gonzalez, 76.
 Flood control, 149.
 Food prices, 15, 45, 47.
 Food, Tobacco, Agricultural Workers, 72, 73, 97, 109, 112.
 "Force and violence" charges, 85.
 Ford Motor Co., 40.
 Foreign bonds, 28-29.
 Foreign-born, 87-89.
 Foreign investments, of U. S., 27-29.
 Foreign policy, of 80th Congress, 150.
 Forrestal, James V., 163.

- Foster, William Z., 84, 85.
 Frame-ups, of Communists, 84-87; Trenton Six, 97-98.
 Franco, Francisco, 76, 110, 152, 166.
 Full-time employees, earnings of, 39-40.
 Fur and Leather Workers, 73, 79, 90, 109, 111, 114.
 Furniture Workers, 136.
- Garment Workers, 121.
 Gates, John, 84.
 General Electric Co., 24, 90.
 General Motors Corp., 40, 41, 48-49.
 German companies, cartel agreements of, 23.
 German concentration camps, Polish unionists in, 175.
 Germany, 23, 110, 152, unions in, 164; unions in Soviet Zone, 180-181.
 Gerson, Simon W., 159.
 Getty, J. Paul, 30.
 Gladstein, Richard, 85.
 Gold, Ben, 114.
 Good Neighbor Policy, 111, 153.
 Government expenditures, 10, 17, 33-34.
 Governors, in 1948 elections, 157.
 Great Britain, loans to, 28; unions in, 164.
 Greece, 32, 150, 152; unions in, 165, 166.
 Green, Gilbert, 84.
 Green, William, 103.
 Gross national product, 9-11.
 Gutride, Minnie, 100.
- Hall, Gus, 84.
 Harisiades, Peter, 88.
 Harriman, Edward A., 73.
 Harrison, George, 158.
 Hartley, Fred A. Jr., 128, 156.
 Hatch Act, 162.
 Haywood, Allan S., 112.
 Health, 58-63; insurance, 60-61, 150, 155.
 Health plans, of unions, 120-123.
 Heller Committee budget, 38, 40, 46-48, 67; for white-collar workers, 65.
 Henderson, Donald, 109-110.
 Hiring hall, for longshore workers, 145.
 Holland, unions in, 164.
 Hollywood Ten, 74-76.
- Hotel and Restaurant Workers, 115, 118.
 Hours of work, 48-50.
 Housing, 33, 34, 45, 52-54, 149; bill of 1949, 54; construction, 14; program, 53-54, 153, 155; veterans, 53, 54.
 Housing and Home Finance Agency, 53.
 Hudson Motor Car Co., 143.
 Hungary, 173; unions in, 178-179; wages in, 179.
 Hunger strike, 89.
- Income, distribution of, 11-12, 26-27, 37-38; family, 37-38; farm, 11; groups, 37-38; national, 11.
 India, 165.
 Indonesian Republic, 31, 164.
 Industrial injuries, 63-64.
 Infant mortality, 59.
 Ingram, Rosa Lee, 98-99.
 Injunctions, against labor, 130, 135-136.
 Inland Steel Co., 121.
 Installment buying, 150.
 Insurance, health, 60-61; unemployment, 57; union plans, 120-123.
 Insurance companies, loans of to Aramco, 30; organized by office workers union, 113.
 Inter-American Confederation of Workers, 166.
 International Bank for Reconstruction and Development, 28.
 International Confederation of Christian Trade Unions, 166.
 International Harvester Co., 143.
 International Labor Office, 166.
 International Monetary Fund, 28.
 International Nickel Co., 170.
 International trusts, 23-24.
 International Workers Order, 82.
 Inventories, 14.
 Investments, in foreign countries, 27-29.
 "Invisible wages," 179.
 Iran, 30.
 Iraq, 30.
 Iraq Petroleum Co., 30.
 Isacson, Leo, 156.
 Isserman, A. J., 85.
 Ives, Irving M., 92.
- Japan, 152; unions in, 164.
 Joint Anti-Fascist Refugee Committee, 76, 82.

- Josephson, Leon, 77-78.
 Jurich, Joseph, 109.
 Jury system, 85-87.
- Kahn, Albert, 72.
 Kennedy, Stetson, 72.
 Kersten, Charles J., 89-90.
 Killings of Negroes, 95-97.
 Killings of workers, 147.
 Knox, John C., 87.
 Kroll, Jack, 157.
 Ku Klux Klan, 72, 82.
 Kuwait, 30.
 Kuwait Oil Co., 30.
- Labor codes, in Canada, 172-173.
 Labor disputes, 142-147.
 Labor Management Relations Act, 128-140.
 Labor press, 119-120.
 Labor Research Association, 23, 27, 116, 120.
 Labor's Committee for Truman and Barkley, 158.
 Labor's League for Political Education, 103, 105, 157.
 Langer, William, 95; on jury system, 87.
 Latin-America, 152; loans to 28; unions in, 166; U. S. investments in, 31.
 Law suits, against unions, 136.
 Laws, against labor, passed by states, 140-142.
 Lead poisoning, 61-62.
 League of Women Voters, 67.
 Lebanon, 30.
 Lewis, John L., 102.
 Liberal Party, 158.
 Liberals, 92, 154.
 Lilienthal, David, 90.
 "Little Taft-Hartley Acts," 140-142.
 Locomotive Engineers, 115.
 Locomotive Firemen, 115.
 Longshore case, 49.
 Longshoremen, 49, 73, 90, 144-145.
 Los Angeles case, 80-81.
 Loyalty boards, 73.
 Loyalty orders, 81, 107.
 Loyalty Review Board, 81, 82, 83.
 Loyalty tests, 81-83.
 Lynchings, of Negroes, 95-97, 108; anti-lynching bill, 97, 149.
- Machinists union, 101, 138.
 Mallard, Robert, 96.
 Manufacturing, hours of work in, 48; profits in, 21; wages in, 39, 40-41, 42, 43, 46.
 Marcantonio, Vito, 91, 95, 139, 155-156.
 Marine Cooks & Stewards, 73, 144.
 Maritime strikes, 144-146.
 Marshall, George, 78-79.
 Marshall Plan, 10, 17, 29, 32, 33, 103, 108, 110, 127, 152; and Soviet trade unions, 165; and World Federation of Trade Unions, 164.
 Marxism-Leninism, 84-85.
 Marzani, Carl Aldo, 83.
 Maternal mortality, 59-60.
 Maternity benefits, 153.
 McCabe, Louis F., 85.
 McMichael, Jack R., 150-151.
 Meat packing, 40-41, 51; "Big Five," 24-25, 146.
 Medical care, 58-59.
 Medina, Harold R., 85, 86.
 Melish, William Howard, 82.
 Merchant marine, 153.
 Mergers and acquisitions, 20-22; in steel industry, 22.
 Mexico, 31.
 Middle East, 152; oil in, 29-31.
 Military conscription, 149.
 Milton, Willie, 97.
 Mine, Mill and Smelter Workers, 73, 90, 132, 170.
 Mine workers, 121, 122, 135; Anthracite Health and Welfare Fund, 61, 63-64, 122; strikes of, 142, 143.
 Minimum wages, 66-67, 113, 149, 153, 155.
 Mining, earnings in, 39; accidents in, 63-64.
 Monopoly, 19, 22-23, 24-26, 149.
 Morford, Richard, 78, 82.
 Moseley, Leon, 97.
 Mundt, Karl E., 90-91.
 Mundt-Nixon bill, 90-92.
 Murray, Philip, 106, 108, 109, 112, 113, 114.
- National Association for Advancement of Colored People, 99.
 National Association of Manufacturers, 32, 48, 49, 68.

- National Association of Real Estate Boards, 53, 94.
 National Catholic Syndicates, 167, 171.
 National Child Labor Committee, 69.
 National Committee on Segregation, 93-94.
 National Council of American-Soviet Friendship, 78, 82.
 National Education Association, on teachers' salaries, 65.
 National Farmers Union, 124.
 National Federation of American Shipping, 49.
 National Federation for Constitutional Liberties, 79.
 National Guard, 147.
 National Health Assembly, 58.
 National Health Bill, 60-61, 150.
 National income, 11.
 National Industrial Conference Board, 50.
 National Labor Committee of Progressive Party, 153.
 National Labor Relations Act, 138.
 National Labor Relations Board, 102, 109, 121, 129, 130-131, 133, 138.
 National Lawyers Guild, 83.
 National Maritime Union, 73, 144.
 National Physicians Committee, 60-61.
 National Public Housing Conference, 54.
 National Wallace Committee, 100.
 National Woman's Status Bill, 68.
 National Women's Trade Union League, 67, 118.
 Nationalization, 117, 153.
 Naturalization, 88.
 Near East, 29-31.
 Negroes, 93-99, 108; discrimination against, 59, 93-94; in federal employment, 93-94; frame-ups, 97-98; health of, 59-60, 93; housing, 53, 94; infant mortality, 59; lynchings and killings of, 95-97; maternal mortality, 59-60; physicians, 59; poll taxes, 94-95; in railroad unions, 115-116; segregation of, 93-94.
 Nelson, Steve, 79-80.
 "New Jersey Scottsboro Case," 98.
 Nixon, Isaiah, 96.
 Nixon, Richard M., 90-91.
 Non-Communist affidavit, 102, 131, 132.
 Nondurable goods industry, 17.
 Norris-LaGuardia anti-injunction law, 113, 133, 135.
 North Atlantic Pact, 33, 34, 171.
 Office of Price Administration, 150.
 Office and Professional Workers, 73, 112, 113-114.
 Office workers, 64-65.
 Oil imperialism, 29-31.
 Oil industry, 29-31; in 1948 elections, 161.
 Oil workers, 113, 136, 138.
 Old-age and survivors insurance, 55, 155.
 Ontario Federation of Labor, 170.
 Owens-Illinois Glass Co., 22.
 Pacific Coast Marine Firemen, 144.
 Pacific Western Oil Corp., 30.
 Packinghouse Workers, 51, 73, 123, 124; strike of, 136, 137, 146-147.
 Palestine, 30.
 Pan-Asiatic Trade Union Conference, 166.
 Paper Workers, 113, 137.
 Part-time work, 16-17.
 Patent system, 22-24.
 Penalties, in antitrust cases, 25-26.
 Pensions, old age, 55.
 Peoples' democracies, unions in, 173-179.
 Pepper, Claude, 54, 60.
 Peru, 31.
 Physicians Forum, 61.
 Picketing, 134, 140.
 Poland, 173; unions in, 174-177.
 Police brutality, 136, 146-147.
 Poll taxes, 79, 94-95; anti-poll tax bill, 95, 149.
 Portal-to-portal act, 48-49, 148.
 Potash, Irving, 84, 88-89, 109, 110.
 Powell, Adam C., 97.
 President's Committee on Civil Rights, 95, 149.
 Press, in 1948 elections, 161.
 Price control, 150, 155.
 Price-fixing, 25.
 Prices, 11, 15, 19, 44-48; in Canada, 172; of farm products, 14; wholesale, 15.
 Production, industrial, 9-10; per worker, 43.
 Production plans, in Hungary, 178-179; in Poland, 175-176.

- Productivity, 17; in manufacturing, 50-51; in rayon industry, 50.
- Profits, of corporations, 18-19, 21.
- Progressive Citizens of America, 151.
- Progressive Party, 99, 100, 151-154; and Democrats, 154; on domestic issues, 153; on foreign policy, 152; national labor committee, 153; platform of, 152-153; post-election position, 160; on social security, 58; on taxes, 36.
- Public employees, strikes of, 140.
- Public ownership, 153.
- Public power, enemies of, in Congress, 157.
- Public Workers, 49, 79, 100, 112.
- Puerto Rico, 152.
-
- Qatar, 30.
-
- Radioactive substances, 62.
- Raiding, by unions, 111, 112, 113-114, 137-138, 170.
- Railroad industry, 149, 153; earnings in, 39.
- Railroad Retirement Act, 117.
- Railroad Trainmen, Bro. of, 92, 115.
- Railroad Unemployment Insurance Act, 117.
- Railroad unions, 115-117; in Canada, 167; in 1948 elections, 158.
- Railroad workers, 115-117.
- Railway clerks, 158, 168.
- Railway Conductors, 115.
- Railway Labor Act, 116.
- Railway Labor Executives Association, 117.
- Railway Labor's Political League, 158.
- Rankin, John E., 74, 79, 95.
- Rath Packing Co., 147.
- Rayon industry, productivity in, 50.
- Real wages, 41, 42, 43.
- Red-baiters, in Congress, 156-157.
- Red-baiting, 89-90; in Canada, 167.
- Reed-Bulwinkle Act, 149.
- Registration, of unions, 140-141.
- Relative position of workers, 43-44.
- Rent control, 47.
- Rents, 47.
- Republican Party, 154, 155-157; contributions to, 162-163.
- Reserves, of oil, 29.
-
- Retail sales, 14.
- Retail trade, 14; earnings in, 39; failures in, 16.
- Revenue Act of 1948, 35-36.
- R. J. Reynolds Tobacco Co., 72-73.
- Rogge, O. John, 98.
- Roosevelt, F. D., 151, 153; program, 110, 153; on taxes, 35-36.
- Rubber industry, 25, 153.
- Rubber Workers, 106.
- Ryan, Joseph P., 127, 145.
-
- Sacher, Harry, 85.
- Safety, occupational, *see* Accidents.
- Saillant, Louis, 166.
- Salaries, of white collar workers, 64-65; teachers, 65.
- Santo, John, 88.
- Saudi Arabia, 30, 31.
- Savings, 12; family, 12-13.
- Schneiderman case, 85.
- Screen Directors Guild, 75-76.
- Screen Writers Guild, 73, 74, 75.
- Seafarers Union, 137.
- Secondary boycott, 134, 140.
- Segregation, of Negroes, 93-94.
- Self-employed, 55, 56.
- Selly, Joseph, 110.
- Seniority, of women workers, 66.
- Servicemen's Readjustment Act, 53.
- Shavers disease, 62.
- Shields, James M., 131-132.
- Shipbuilding workers, 113, 138.
- Shoeworkers, 73.
- Shop committees, in Poland, 175.
- Silicosis, 61-62, 123.
- Slums, in U. S., 52, 155.
- Small business, 155.
- Smith Act, 84.
- Smith, Ferdinand, 88-89.
- Social security, 34, 54-58, 150, 155; benefits, 55-56; taxes, 33, 42, 56.
- Socony-Vacuum Oil Co., 30.
- South, union drives in, 102, 106.
- Southern organization drive, 102, 106.
- Soviet Union, 103, 104, 105, 111, 152; unions in, 165.
- Spain, 76, 110, 111, 150; unions in, 165, 166.
- Speed-up, 17, 51-52.
- Spivak, John L., 163.
- Stachel, Jacob, 84.

- Standard Oil Co. of California, 30.
 Standard Oil Co. of N. J., 23.
 Standard-Vacuum Oil Co., 31.
 State anti-labor laws, 140-142.
 State child labor laws, 70.
 State F.E.P.C. laws, 92-93.
 State minimum wage laws, 66-67.
 Steel industry, mergers in, 22.
 Steel workers, 106, 121, 123, 132, 133, 138, 170.
 Stern, Bernhard, 23.
 Stettinius, Edward R., 55.
 Stock ownership, 26-27.
 Stone workers, 73.
 Stopnicka, Celia, 176.
 Strategic minerals, 29.
 Strikes, 140, 142-147; auto workers, 143; maritime workers, 144-145; mine workers, 142, 143; packinghouse workers, 146-147; under Taft-Hartley Act, 129, 130.
 Strikebreaking, 146-147.
 Subversive Activities Control Bill, 90-92.
 "Subversive" organizations, 81-82.
 Sugar, Maurice, 85.
 Sullivan, Pat, 168.
 Survey of Consumer Finances, 12, 13, 37-38.
 Swift & Co., 41.
 Synthetic rubber industries, 153.
 Syria, 30.
 Taft-Ellender-Wagner housing bill, 53, 54, 149.
 Taft, Robert A., 53, 128, 137, 140.
 Taft-Hartley Act, 90, 102, 109, 113, 119, 121, 128-140, 145, 148, 151; in 1948 election, 155, 156-157; and Progressive Party, 153; provisions, 128-129.
 Tax programs, 36; of CIO, 36, 113.
 Taxes, 34-36; of corporations, 18, 35; on excess profits, 113; excise, 35; individual income, 35; of low-income groups, 35; and the rich, 149; social security, 33-34, 35, 56.
 Taylor, Glen H., 60, 151.
 Teachers, 79, 99-100, 119; salaries, 65.
 Teamsters Union, 137.
 Temporary National Economic Committee, on concentration, 19, 22, 27.
 Tennessee Valley Authority, 149.
 Texas Co., 30, 31.
 Textile Workers (CIO), 41, 106, 118-119.
 Thomas, J. Parnell, 71-72, 156.
 Thomas-Rankin Committee, *see* House Un-American Activities Committee.
 Thompson, Robert G., 84.
 Thurmond, J. Strom, 154, 160-161.
 Tobin, Daniel, 102, 127.
 Tool Owners Union, 156.
 Toy and Novelty Workers, 113.
 Trade Union Agency, 120.
 Trade unions, Ch. V; in Canada, 167-173; and Catholics, 125-127; "certification," 131-132; in Czechoslovakia, 177-178; dues, 102; and farmers, 123-125; in German Soviet Zone, 180-181; in Hungary, 178-179; insurance plans, 120-123; and labor press, 119-120; membership, 101, 104, 106, 109, 115; in peoples' democracies, 173-179; in Poland, 174-177; and raiding, 111, 112, 113-114, 137-138; raiding in Canada, 170; red-baiting against, 89-90; under Taft-Hartley Act, 128-140; and women, 118-119; and World Federation of Trade Unions, 164-166.
 Trades and Labor Congress of Canada, 167-169.
 Trans-Arabian Pipe Line Co., 30.
 Trans-Jordan, 31.
 Transport Service Workers, 113.
 Trenton Six, 97-98.
 Truman, Harry S., 54, 116; "bold new program," 31-33; domestic program, 155; economic report of, 12, 19; on 80th Congress, 148; election, 154; on fair employment, 92; on foreign policy, 150-151; veto of Taft-Hartley Act, 128.
 Truman Doctrine, 31, 32, 33, 103, 108, 150-151, 152.
 Turkey, 32, 150, 152.
 Typographical Workers, 132, 137.
 Un-American Committee, *see* Committee on Un-American Activities.
 Undistributed profits, 18.
 Unemployment, 16-17, 52, 57; insurance, 17, 57; of veterans, 17.
 Unemployment insurance, 17, 57.
 Union security, 128-129, 132-133, 140.

- Unions, *see* Trade Unions.
- United Nations, 33, 68, 94, 110, 111, 152.
- U. S. Bureau of Labor Statistics, on accidents, 63; consumers' price index, 15, 40, 43; family budgets, 38, 44-46, 172; on health plans, 120-122; on housing, 52; on percentage of workers organized, 101; on productivity, 50-51; on strikes, 142.
- U. S. defense department, 82.
- U. S. Department of Justice, 87-89.
- U. S. Employment Service, 148.
- U. S. Steel Corp., 41.
- U. S. Supreme Court, 49, 76, 77, 83, 141, 146; on antitrust laws, 25; on Bill of Rights, 71.
- Upholsterers' Union, 122.
- Utilities, 153.
- Utility Workers Union, 138.

- Vacation homes, in Poland, 178.
- Van Arkel, Gerhard P., 132.
- Vatican, 150.
- Venezuela, 31.
- Veterans, housing, 53, 54; services, 33; unemployment of, 17.
- Vote, in 1948 elections, 154-155.

- Wages, 38-42; increases, 40-42; and living costs, 38-40, 41, 46, 48; portal-to-portal, 48-49; railroad workers, 116; real, 42; take-home, 42; weekly earnings, 42; of white-collar workers, 64-65; of women, 66-68.
- Wagner Act, *see* National Labor Relations Act.
- Wagner, Robert F., 53, 54, 60.
- Wagner-Murray-Dingell bill, 60-150.
- Wallace, Henry A., 32-33, 58, 99, 100, 111, 151, 153, 156, 161; vote of, 154, 160.
- Walsh, J. Raymond, 74.
- War expenditures, 10, 34, 149, 150.
- Warhol, Peter, 88.
- Warren, Earl, 154.
- Washington, D. C., segregation of Negroes, 93-94.
- Weekly deficit, of workers, 46, 48.
- White-collar workers, 64-65; salaries, 64, 65.
- White, Harry D., 71.
- White Guard Russians, 149.
- "White Supremacy," 161.
- Whitney, A. F., 117.
- Wilkerson, Doxey, 86-87.
- Williamson, John B., 84, 88-89; on trade union policy, 114.
- Winston, Henry, 84.
- Winter, Carl, 84.
- Women workers, 65-68; in Germany, 182; in Poland, 176; seniority, 66; and social security, 56, 155; in unions, 118-119; wages of, 66-67.
- Women's auxiliaries, 119.
- Woodworkers (CIO), 50, 169, 170.
- Work loads, 51-52.
- Work stoppages, 142-147; in Canada, 171-172.
- Workmen's compensation, 62, 64.
- World Congress, of World Federation of Trade Unions, 166.
- World Federation of Trade Unions, 103, 109, 110, 164-166, 171; and I.L.O., 166; on union rights, 165-166.
- World labor developments, 164-182.

LABOR AND ECONOMICS

Other Labor Fact Books Available:

- | | |
|-------|--------------------------------|
| No. 5 | Trade, \$2.00; Popular, \$1.00 |
| No. 6 | Trade, \$2.00; Popular, \$1.25 |
| No. 7 | Trade, \$2.25; Popular, \$1.60 |
| No. 8 | Trade, \$2.50; Popular, \$2.00 |

HISTORY OF THE LABOR MOVEMENT IN THE UNITED STATES

Philip S. Foner

A comprehensive study of the trade union movement and the role of labor in American democracy from colonial times to the founding of the A. F. of L.

Trade, \$4.50; Popular, \$3.75

AMERICAN TRADE UNIONISM: PRINCIPLES AND ORGANIZATION, STRATEGY AND TACTICS

William Z. Foster

Thirty years of trade union history in the making, by a man consistently in the forefront of American labor struggles.

Trade, \$3.50; Popular, \$2.85

NEGRO LIBERATION

Harry Haywood

A fundamental study of the Negro question in the United States and of its origins.

Trade, \$2.75; Popular, \$2.25

NATURE OF CAPITALISM

Anna Rochester

A lively simple exposition of the fundamentals of Marxian economics as applied to our country.

\$1.00

WORLD MONOPOLY AND PEACE

James S. Allen

A stimulating book about the main economic forces shaping the world today.

Trade, \$3.00; Popular, \$2.50

INTERNATIONAL PUBLISHERS

381 FOURTH AVENUE, NEW YORK 16